FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Europe

ATTENTION!! ATTENTION!! ATTENTION!!

FBIS will phase out publication of most of its paper reports, including ALL Daily Reports and most FBIS Reports, by 31 December 1996.

See inside for information on how to access FBIS products and services electronically.

FBIS-EEU-96-091
Thursday
9 May 1996

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

May 1996

Dear Customer:

Responding to our many customers' requests, NTIS is offering FBIS publications electronically. Due to resource limitations, hardcopy production of FBIS publications will be phased out during 1996. Hardcopy reports will be discontinued according to the following schedule:

1 April	*Arms Control and Proliferation Issues*
1 May	*Environment and World Health*
1 June	*Narcotics*
1 July	*Terrorism*

Hardcopy publication of the regional DAILY REPORTS will cease as follows:

1 August	*China, Latin America*
19 August	*Near East and South Asia, West Europe, Sub-Saharan Africa, West Europe Economic Review*
2 September	*East Asia, East Europe, East Europe Economic Review*
16 September	*Central Eurasia, Central Eurasia Military Affairs, Central Eurasia Economic Review*

FBIS' goal is to cease publication of all hardcopy reports by 31 December 1996 except for S&T PERSPECTIVES, S&T CENTRAL EURASIA, S&T CHINA, S&T KOREA, S&T EUROPE, and S&T JAPAN. The S&T reports will continue to be published as hardcopy until the graphics they contain can be disseminated on-line.

FBIS products are offered electronically through the National Technical Information Service's (NTIS) "World News Connection" (WNC). This is a new on-line subscription service accessible through the World Wide Web. The Web address is http://wnc.fedworld.gov. Please see the next page for a subscription form or call NTIS Fax Direct at 703-487-4140 and enter product code 8645 to receive more information.

World News Connection™

A Foreign News Alert Service from the U.S. Government

World News Connection - WNC1.....**$ 21**
7 Day - Introductory Offer
Unlimited interactive searching
[no profiles]
Order number SUB-9856BDQ

World News Connection - WNC2.....**$ 50**
Monthly
Unlimited interactive searching
[no profiles]
Order number PB95-985700BDQ

World News Connection - WNC3.....**$ 75**
Monthly
Unlimited interactive searching
[1 profile]
Order number PB95-985800BDQ

World News Connection - WNC4.....**$100**
Monthly
Unlimited interactive searching
[up to 5 profiles]
Order number PB95-985900BDQ
(Prices are subject to change)

User Name *(Please Print or Type)*	Internet E-mail Address *(Required)*	Order Number	Price
1)			
2)			

(Continue on a blank sheet if more space is required)

Deposit Account Number (for NTIS account customers only): _____

Customer Master Number (if known): _____ Date: _____

Contact Name: _____ Organization: _____

Street Address: _____ City: _____ State: _____ Zip: _____

Province/Territory: _____ Country: _____

Foreign Postal Code: _____

Internet E-mail Address (Organization contact person): _____

Telephone Number: ( ) _____ Fax Number: ( ) _____

Credit Card Number: _____

Credit Card Expiration Date: _____

Card Type (Visa, Master Card, or American Express): _____

Cardholder's Name (as printed on the credit card): _____

Cardholder's Signature (required to validate all orders): _____

(Please fax this form back to NTIS at **703-321-8547**. Fax service is available 24 hours a day, 7 days a week.
To verify receipt of your fax, call (703) 487-4679 between 7:00am - 5:00pm, Monday - Friday, Eastern Time.)

Daily Report
East Europe

FBIS-EEU-96-091 *9 May 1996*

CONTENTS

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

ALBANIA

Albania: Socialist Party Electoral Platform *[ZERI I POPULLIT 2 May]* 1
Albania: Human Rights Union Presents Candidates in Sarande *[KOHA JONE 8 May]* 18

BULGARIA

Bulgaria: Importance of BSP Plenum on Structural Reform *[DUMA 8 May]* 20
Bulgaria: Differences Within BSP Emerge Before Plenum *[DUMA 9 May]* 20
Bulgaria: BSP's Koychev Comments on Economy, Plenum *[24 CHASA 9 May]* 21
Bulgaria: KNSB Leader Petkov Foresees Cabinet Fall *[DEMOKRATSIYA 8 May]* 22
Bulgaria: DPS Leaders Said Preparing To 'Topple' Dogan *[168 CHASA 6-12 May]* 23
Bulgaria: DPS Likely To Sit on Fence in Primaries *[STANDART NEWS 7 May]* 23
Bulgaria: DPS Mobilizes Muslims for Mass Privatization *[DUMA 8 May]* 24
Bulgaria: Defense Minister Explains Privatization Fund *[BULGARSKA ARMIYA 6 May]* 25
Bulgaria: Politicians Blamed for Plight of Arms Industry *[STANDART NEWS 3 May]* 26
Bulgaria: Industry Minister Accused of Ruining Arms Trade *[SEGA 2-8 May]* 26

CZECH REPUBLIC

Czech Republic: Holan: CR To Join NATO in 1997-2000 Period *[Prague Radio]* 29
Czech Republic: Tax Cuts Proposed Before Elections *[PRAGUE POST 13-19 Mar]* 29

SLOVAKIA

Slovakia: Daily Views 'Sinister' Holbrooke Statements *[SLOVENSKA REPUBLIKA 6 May]* 30
Slovakia: Meciar Warns Against Speedy Enlargement of NATO *[Prague Radio]* 32
Slovakia: Article Asks If NATO Worthwhile Swap for Meciar *[SLOVENSKA REPUBLIKA 7 May]* 32
Slovakia: Commentary on Reasons for Western Dislike of Meciar *[NOVA SMENA MLADYCH 6 May]* 33
Slovakia: Daily on 'Paradoxes' of Coalition's NATO Policy *[PRAVDA 8 May]* 34
Slovakia: Foreign, Defense Ministers on WEU Summit *[Bratislava Radio]* 35
Slovakia: SNS Head Says Coexistence Leader Should Be in Jail *[NOVY CAS 8 May]* 35
Slovakia: Helsinki Committee Claims Police Mystifying Public *[SME, etc.]* 35

HUNGARY

Hungary: Keleti Wants Nuclear Weapons Ban in East Europe *[NEPSZABADSAG 8 May]* 37
Hungary: Editorial Hails Ratification of Treaty With Slovakia *[MAGYAR HIRLAP 8 May]* 37
Hungary: Foreign Trade Deficit Reaches $800 Million *[MAGYAR HIRLAP 8 May]* 37
Hungary: Government To Introduce Plan To Cut Expenditures *[NEPSZABADSAG 8 May]* 38
Hungary: SZDSZ Gives Kuncze Veto on Investigating Office Issue *[MAGYAR HIRLAP 8 May]* 39

BOSNIA-HERZEGOVINA

B-H: Islamic Group Threatens To Attack IFOR Troops *[London THE EUROPEAN 9-15 May]* 40
B-H: IFOR Denies Contaminating Local Water Supplies *[AFP]* 40
B-H: Silajdzic: Protection of External Borders Top Priority *[Lisbon TV]* 41
B-H: Presidency Recalls Ambassador to United Kingdom *[Sarajevo Radio]* 41

B-H: Bosnian FM Prlic Discusses State Affairs *[SVIJET 2 May]* 41
B-H: HDZ, SDA Fail To Hold Central Bosnian Canton Meeting *[Sarajevo Radio]* 46
B-H: Casado, Izetbegovic Disagree on Mostar Election Rules *[NOVA POSNA 8 May]* 46
B-H: Bildt Will Not Open 'Special TV Studio' *[TANJUG]* 47
B-H: UNHCR's Ogata 'Cautious' About 'Early' Refugee Return *[AFP]* 47
B-H: AFP Reports POW's Released on 8 May *[AFP]* 48
B-H: Sarajevo Bus Makes Return Trip 'Without Incident' *[AFP]* 48
B-H: Kasagic Comments on RS Future, Relations With Milosevic *[NASA BORBA 8 May]* 49
B-H: Serb Republic's Plavsic Criticizes Bildt, 'Servile' Serbs *[JAVNOST 4 May]* 49
B-H: Karadzic Views Survey Work, Aid To Build Serb Sarajevo *[Pale TV]* 52
B-H: Daily Says NATO Used 'Radioactive Weapons' in Bosnia *[POLITIKA 3 May]* 53
B-H: IFOR Confirms Death of Soldier Near Visegrad on 7 May *[Sarajevo Radio]* 54
B-H: Shots Fired as Serbs Prevent Refugee Visit Near Maglaj *[AFP]* 55
B-H: Serbs Set Up Police Checkpoint at Crossing in Brcko *[SRNA]* 55
B-H: Serb, Muslim Leaders Discuss Reopening Roads *[SRNA]* 55
B-H: Elisabeth Rehn Says Serbs 'Unjustly' Ignored *[SRNA]* 55
B-H: Hague Trial of Serb War Crime Suspect Enters Third Day *[AFP]* 56

CROATIA

Croatia: Commentary Views Reopening of Highway as 'Victory' *[VJESNIK 8 May]* 57
Croatia: Weekly Accuses Government of 'Totalitarian Methods' *[AFP]* 57
Croatia: Serb Deputy Opposes Partial Amnesty *[POLITIKA EKSPRES 8 May]* 58

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

FYROM: Interior Minister Criticizes Mass Media *[MIC]* 59
FYROM: Bulgarian Stance on Lost Territories Viewed *[NOVA MAKEDONIJA 8 May]* 59
FYROM: Albanian Parties Seen Attacking President *[Skopje Radio]* 60

POLAND

Poland: Prime Minister To Appoint Ambassador to Belgrade *[TANJUG]* 61
Poland: Foreign Ministry Responds to Belarusian Protest *[GAZETA WYBORCZA 8 May]* 61
Poland: Implications of Purchasing U.S. Hellfires Viewed *[SZTANDAR 8 May]* 61
Poland: Goals of 1996 Military Training *[PRZEGLAD WOJSK LADOWYCH Jan]* 62
Poland: Chief of General Staff on 'Raison d'Etat' *[RZECZPOSPOLITA 8 May]* 66
Poland: Customs Guarantees of EU Road-Hauliers To Be Withdrawn *[Warsaw TV]* 68
Poland: Assessment of Reform of Central Administration *[POLITYKA 23 Mar]* 69

ROMANIA

Romania: NATO Official on Expansion Process *[OBSERVATORUL MILITAR 10-16 Apr]* 71
Romania: CDR Head Opposes Senators' Roles in State Companies *[ROMANIA LIBERA 3 May]* 71
Romania: Iliescu Not 'To File Suit' Against PRM's Tudor *[EVENIMENTUL ZILEI 26 Apr]* 72
Romania: PD's Roman Begins Electoral Tour of Western Counties *[AZI 1 May]* 73
Romania: No Cluj UDMR Candidate To Run Against Funar *[ADEVARUL 29 Apr]* 74
Romania: PDSR's Nastase: Funar To Lose in Local Elections *[JURNALUL NATIONAL 3 May]* 74

SLOVENIA

Slovenia: PM Drnovsek Signs Accords With U.S., Gathers Praise *[Ljubljana Radio]* 75
Slovenia: Drnovsek 'Optimistic' After Talks With Gore, Perry *[Ljubljana Radio]* 75
Slovenia: NATO Secretary General Discusses Expansion Process *[DELO 4 May]* 75
Slovenia: Belgrade Journal Outlines Military Doctrine *[VOJSKA 16 Nov]* 78

Slovenia: Property Rights of Foreigners Debated *[DELO 9 Mar]* 79
Slovenia: Peterle Views Possibility of Coalition Breakup *[Ljubljana Radio]* 80
Slovenia: Liberals Hope Reason Prevails in No-Confidence Vote *[Ljubljana Radio]* 80
Slovenia: Poll Shows Support Steady for Prime Minister *[DNEVNIK 30 Apr]* 80

YUGOSLAVIA

Federal

FRY: Milutinovic Discusses Opening of Hague Tribunal Office *[TANJUG]* 82
FRY: Government Prepares Amendments to Foreign Investment Law *[TANJUG]* 82
FRY: Oil Pipeline from Croatian Island Reopened *[TANJUG]* 82

Serbia

Serbia: Milosevic Receives Russia's Ivanov *[TANJUG]* 83
Serbia: Helsinki Committee on Human Rights Violations *[VECER 7 Feb]* 84
Serbia: Commentary Criticizes Crackdown on Media Sponsorship *[NASA BORBA 7 May]* 85

Albania: Socialist Party Electoral Platform

AU0705144196 Tirana ZERI I POPULLIT in Albanian 2 May 96 pp 2-10

["Electoral Platform of the Socialist Party"]

[FBIS Translated Text] We Socialists stand before the electorate with a moral and political obligation: We want to build an Albania entirely cured of the disease of dictatorship and freed of the antidemocratic distortions of the transition period, a truly democratic Albania. The Socialist Party [PS] appeals to everybody to cooperate for democracy!

We are all called upon today to free this country from the stranglehold of unending chaos, from insecurity of life and work, from the leeches of corruption, from the political sloth of the incompetent, from political vindictiveness, from intolerance and inability to enter dialogue, from self-isolating and anachronistic authoritarianism, from personal political high-handedness, and from the feverish desire for boundless power.

We aim at a civilized society that will be open and free for everybody. We aim to give the Albanians a chance for understanding and cooperation, to ensure them peace, work, and prosperity; to give them an able and uncorrupted government; and to guarantee everybody free initiative and social solidarity, freedom of movement, freedom of the press, and freedom of political convictions and religious belief. By a free vote of the people, we will achieve the release of PS Chairman Fatos Nano.

The PS will ensure Albania an international position with broad scope for action, dignified integration in Europe and all European and Atlantic structures, and cooperation and friendship with our neighbors. We will defend the legitimate demands of the Albanians of Kosova and the other ethnic territories in accordance with international documents and the principle of the right of peoples to self-determination.

The PS is ready and prepared to undertake with wisdom and courage all political and civil responsibilities that arise from the development of democracy in order to give the people and the country a more worthy future.

We are determined to advance toward democracy in order to give everybody the chances that democracy offers. You have this in your hands, with your vote. Every vote for us lays a greater responsibility on us.

Vote for the PS!

Together with us—for a genuine democracy!

Genuinely Democratic Government

We are laying before the voters a new manner of government. In pluralism, the PS as a serious political force has played a responsible role and has rendered important assistance to establishing democracy and the institutions of the rule of law.

The achievements on the road of democracy are to the credit of all the political forces and are due to the determination of all Albanians to advance on this road. However, during its four years of government, the Democratic Party [PD] has misused its power. It has moved away from pluralism and has ignored elected bodies. It has left the country without a constitution. It has given a free hand to corruption and to the high-handedness of state authorities. It has failed to secure a law-governed state and the independence of the judiciary.

The Albanians have tasted PD government. Albania needs a truly democratic and pluralist form of government. The PS offers the electors a new manner of government, relying on the experience of countries with a developed democracy, in order to further promote the achievements of the country's democratic developments and to overcome the consequences of the PDs antidemocratic behavior.

We propose to you our alternative:

1. Power Accountable to the Mandate of the People

We will put into practice a new form of government, with power that will be closer to the citizen, power accountable to the mandate of the people, and not power over the citizen, with democracy through the law and through the operation of a law-governed state.

The PS promises that democratic institutions and the rule of law will genuinely operate. It will not permit authoritarian tendencies that take power away from people, but will act on the will of the majority, while respecting the rights of the minority. Respect for the rights of the opposition and open dialogue with the opposition will be at the foundation of the work of its government.

The PS supports a parliamentary republic. Parliament will acquire real authority and a role in the country's life. The direct mandate of the people, which is given only to this legislative body, will be sternly respected. The parliamentary opposition will have the necessary scope to inspect the work of the government.

The PS favors a president who will genuinely represent the unity of the nation, a president of all Albanians, not a party fanatic who practices apartheid against those who think differently.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

We will govern better. We will make a government for Albanians, not for its own ministers. We will create a government controlled by the parliament, not a government above the parliament. The government of the Socialists will be professionally able and will open the road to the free initiative of Albanians and all those who wish to cooperate in Albania.

We know how to govern better because we know how to cooperate. The PS is open to government coalitions on the basis of programs, because it recognizes the value of a government with the broadest possible social and political support.

The PS will respond to the demands of the trade unions. We will commit ourselves to respecting the principles of social partnership, institutionalizing relations between the government and the trade unions, and creating democratic and legal scopes for them. We will carry out the necessary legislative changes to govern labor relations and the status of certain social categories.

We will bring the government closer to the citizens. The PS guarantees that it will create a form of local government in accordance with the basic demands for local autonomy expressed in the European Charter. We will give administrative, proprietary, and financial autonomy to local government so it may secure itself real autonomy in its management and in its assets and a sufficient budget to cover its public projects and the vital needs of the people. The present prerogatives of the president of the Republic and the Council of Ministers to dissolve decisionmaking bodies and to dismiss their executive bodies will be changed.

We will unify the manner of the election of executive bodies in communes, municipalities, and districts, and will guarantee their independence and the functioning of their authority. The councils will have more authority to define the structures of executive bodies and to make appointments to them. We will build a lightweight, effective, and competent local government administration that will capably undertake the professional training of local government administrators.

2. Government Based on the Constitution and the Law

The PS will achieve a new manner of government. It will govern on the basis of the Constitution and the law, in constructive dialogue with opposition forces in the parliament and beyond, in the interests of developing market economy reforms and improving peoples lives.

The PS considers it an urgent duty to approve a modern constitution immediately after the elections, as a legislative, juridical, and political guarantee of the state and of pluralist democracy. We will ask for the constitution to be approved on the basis of as broad a political and social basis as possible and by a thoroughly democratic procedure.

The PS will follow a policy of strengthening the constitutional order and parliamentary pluralism. Our aim is to forge legitimate and reliable links between the individual and the state.

The PS will make a reality of the separation of legislative, executive, and judicial powers in order to banish shades of the totalitarian past and the practices of the authoritarian regime of today.

We support loyal political dialogue and an honest political struggle. We will respect the method of consultation with political forces in the interests of social peace, democracy, the independence and prosperity of Albania, and the solution of the national issue. We respect all political forces that act in accordance with the principles of democracy, the Constitution, and the laws, and will oppose all extremist political forces that imperil democracy, the unity of the nation, and the integrity of Albania.

3. Guaranteed Independence for the Judiciary

The PS will guarantee impartial justice and responsible courts for all Albanians.

The PS will establish a genuinely law-governed state, in which everybody will be equal before the law: The law will be above everybody and for everybody. We will secure legal equality for all individuals and legal entities.

The PS will give priority to modernizing and achieving real independence for the judiciary. We will not allow the political wing to interfere obliquely or directly in the competences of the judiciary. The People's Assembly will lay down the laws and the principles of penal policy, and there will be no more commissions acting as covert courts or investigators. We will guarantee the autonomy of the budgets of the judicial bodies.

The PS will create all the legal and technical conditions for fair and prompt public trials by competent, independent, and impartial courts. The courts will operate on the basis of the principle that personal guilt can be proved only on the basis of evidence and facts in every case.

We will create a law for the formation, operation, and responsibilities of the High Council of Justice and will improve the law on the organization of the judiciary, in order to match European standards in the courts, in legal training, the appointment, dismissal, remuneration, and immunity of lawyers, and their organization in associations.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The High Court will be the highest judicial authority. Its members will be elected by the parliament on the proposal of the High Council of Justice. All the members of the High Court will enjoy the same guaranteed independence and immunity in exercising their judicial functions. We will seek to lay down a unified constitutional procedure for immunity.

The PS will seek to open specialist administrative offices to solve issues of public justice. It will clearly define the jurisdiction of courts martial, their structure, composition, responsibilities, and the extent of their powers.

We will commit ourselves to reforming the Procurators Office according to the criteria of the Council of Europe so it will genuinely become an instrument of justice and not a political instrument of the state.

All Albanian citizens will have the recognized right to make individual applications to the European Commission for Human Rights under the compulsory legislation of the European Court.

4. A Modern and Incorruptible Administration

The PS will commit itself to constructing a modern and professionally capable administration, uncorrupted and ready to effectively and impartially apply the policies of the state.

The PS will seek to build a state apparatus according to rigorous professional criteria and in total conformity with the law. Appointments to the administration will not be made on the basis of candidates political persuasion, but their professionalism, probity, education, and qualifications. In accordance with the status of employees and demands as they arise, the PS will organize the systematic assessment of the staff of the central and local administration.

We will seek to establish the control of elected bodies over the administration. Openness will be institutionally enforced on executive authorities at all levels, in order to encourage citizens' public control of the states budget expenditure and on the use of public funds according to their appointed ends.

We will reduce the monopoly powers of the administration and the unnecessary profusion of licenses, and will develop and improve the work of accountancy departments.

We will insist on electing and appointing people who are known to the public as honest and impartial professionals to the state control service. They will be responsible to the law and given special material incentives.

We will demand a review of the financial and material transactions carried out during the last four years of privatization. A special pluralist parliamentary commission will guide the work of the state control service and will prescribe legislation and bodies that will consider complaints over the plunder of state assets.

It will be proposed that Albania's businessmen and traders create special organizations that will have a consultative role for the government in order to encourage legitimate and honest business and to stop speculation, smuggling, and illegal trafficking and corruption in customs and in other economic and trade bodies.

A Free, Open, and Advanced Society

We see the new elections as important for deepening and consolidating democratic processes. During its four years as a constructive political force in opposition, the PS has bravely come out in defense of democratic principles and their genuine enforcement in all areas of the country's life.

The PD used the slogans of democracy to come to power but did not act upon them because they conflicted with its aims for and efforts toward untrammelled power. The PD raised the banner of human rights and freedoms but used it to conceal its deception over the failure to approve the Constitution and then set this banner aside. Authoritative international organizations have listed our country among those that continue to violate human rights and freedoms. There is a danger in Albania backsliding away from democracy.

The state ruled by the PD and the judiciary subjected to it have openly ignored the protests of the entire Albanian public and of international institutions over the arrest and arbitrary sentencing and incarceration as a political prisoner of the Deputy Fatos Nano, PS chairman.

The PS has opposed the systematic violations that have marred the creation of a genuinely free and open society. It has strongly denounced the blows struck against the free press, the arrests of journalists, the PD's manipulation of radio and television and the official media for purely party ends, the deaths and beatings at the hands of the police, the toleration of crime and illegal trafficking, the treatment of the opposition as enemies of the nation, and the virtually complete suppression of the right to peaceful protest meetings.

As a vehicle of social progress, social solidarity, and justice, committed to the effective defense of human rights and freedom and to the construction and consolidation of an open and democratic society, the PS pins its faith on the future of democracy.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

1. Genuinely Respecting and Exercising Human Rights and Freedoms

The primary task of the Socialist government will be to rigorously defend basic human rights and freedoms and to enforce the UN Universal Declaration of Human Rights, the documents of the OSCE, and the conventions of the Council of Europe.

The PS will not permit political persecution and the existence of political prisoners in Albania. It will work to fully integrate the former victims of the political persecution of the totalitarian regime and to fulfill their interests in accordance with democratic laws and principles.

The PS is committed to creating scope for the work and activities of intellectuals, increasing their involvement in the country's social and political life, and appreciating intellectual work according to its worth and its results.

We support all women's movements and social organizations aiming to protect womens rights and to affirm the personalities of Albanian women under the conditions of the market economy. The PS will expand the legal and practical opportunities for the employment and training of women.

The PS will reconsider and seek a higher pay rate for the second six months of maternity leave. We will regulate by law the right to a full pension of women in the 45-50 age group, who have been left without work under Article 24/1, when they reach pensionable age.

The PS supports the activities of nongovernmental organizations and the rights and status of veterans of the National Antifascist Liberation War, war and labor invalids, civil servants, intellectuals, pensioners, servicemen, orphans, the blind, etc.

We favor the free movement of people. The PS is committed to the urbanization of settlements created by migration during recent years and will conduct research to anticipate movements of the population up to the year 2010.

We Socialists consider social peace and solidarity to be a major national duty. We say no to divisive tendencies of a political, religious, regional, or ethnic nature. The PS conceives political struggle as the competition of alternatives in a pluralistic society and will not impose itself on or dominate other political forces.

The PS will end the state monopoly on public information inherited from the dictatorship and perpetuated by the PD regime. It will make a reality of the right to information and to pluralistic media of public communication and will meet the demand for openness, freedom of opinion, and uncensored information. Free competition among the media will be ensured by a law on private radio and television.

The PS will respect the rights of minorities in accordance with the demands of the UN Charter and all other internationally accepted documents. We will be careful to create the conditions necessary for the preservation and development of the ethnic identity, language, and culture of minorities.

2. Public Security, Stability, and Secure Defense of the Homeland

The PS is determined to ensure public peace and the constitutional legal order by effectively combating crime and guaranteeing life and property.

The PS will seek to reorganize the structures governed by the Interior Ministry under the motto: The police must gain citizens' confidence and secure their lives, property, and the public peace instead of scaring citizens with illegal police violence. Professionalism and a rejection of corruption of all kinds will lie at the foundation of the work of these authorities.

The PS will carry further the reform that has been carried out in the National Intelligence Service [ShIK]. We will genuinely remove this extremely important agency from party influence, placing all its work on a legal footing. We will end the anticonstitutional phenomenon noticed under the rule of the PD, during which the ShIK was used as a weapon to gain advantage in the political contest among the parties and as a tool of blackmail against political opponents.

The PS will take effective measures to strengthen and secure the defense of the homeland and to modernize the armed forces. In accordance with the new policy of national security and defense, the Socialists will strengthen military cooperation with the United States and NATO and with instruments of collective security in the framework of the OSCE and the Partnership for Peace initiative, while aiming at NATO membership.

Qualitative improvements will be introduced by law into the reform of the Army to cover all defense structures. The assessment of Armed Forces personnel will attract into the structures of defense able, honest, and patriotic professionals. Further improvements will be made in the command structures of the Armed Forces, both in the active service and in civil defense, further modernizing the entire system of military education and training.

We will further improve the working and living conditions of staff and servicemen, rigorously respecting the status of servicemen and also defining the status of reserve and retired servicemen. A serviceman will have a guaranteed career and will be selected on the basis of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

his personal skills and qualities. Party influence on the Armed Forces will be carefully eliminated.

3. A Secular State, Freedom of Conscience

The PS respects the principle of the secular state, and honors and respects equally the religious communities and their beliefs.

The Socialists will use all legal and democratic means to preserve understanding and tolerance in the common life of the religious communities in Albania.

We will guarantee the noninterference of the state in the religious communities' autonomous government of their internal lives as sanctioned in their statutes that are in accordance with the Constitution. The PS condemns every possible manifestation of religious fundamentalism of whatever faith.

The Socialists are committed to guaranteeing to believers and atheists democratic scope in the country's social, economic, and cultural life, and respect for their convictions, organizations, and activities that support the law and social morality and do not offend believers' sensibilities.

Economic Growth, Employment, Property, Solidarity

The PS will continue and will accelerate the reform to end the crisis and to secure stable economic growth. We will guarantee employment, property, the harmonization of free initiative with social solidarity, and an economy integrated with Europe and the world.

The economic progress of the years of transition has been the fruit of a market economy, the efforts of individuals of enterprise and initiative, the sweat and labor of refugees, and the aid of other countries and of international financial organizations. The economic failures of the years of transition are a consequence of the PD's erroneous conception and implementation of the reform.

The PD promised the privatization of the economy and misused national assets in order to enrich a handful of members of the government. It promised employment and closed enterprises, It promised organized emigration and left Albanians to the mercy of streets of the world. It promised free business and spawned corruption and smuggling. It promised an active financial and banking system and transformed the financial institutions into instruments of its own political goals. The privatization boards, commissions for the restitution of property, and customs and tax offices have been exploited for the illegal enrichment of members of the government.

The PD has exhausted its economic program and can promise nothing more. With the PD, the Albanian economy will remain in a state of collapse with production strangled, a high rate of unemployment, traders and businessmen in a state of insecurity, young people without prospects, and refugees abandoned by their own state.

Albania needs another alternative to continue the reforms and to enable its economy to advance quickly.

1. Our Strategy—A Stable, Solid, Efficient, Decentralized, and Open Economy

The basic objective of our medium-term economic development strategy is to accelerate the reform in order to achieve a stable, solid, efficient, and decentralized economy, integrated into the European economy.

This objective will be achieved through:

—The restructuring of the economy, relying on a mixed system of property, with a very active private sector, an effective public sector, and the best possible balance between market forces and state intervention;

—Macroeconomic stabilization by ensuring annual economic growth between 8 and 12 percent of GDP, control of inflation, creation of more than 200,000 jobs within a four-year mandate, reduction of the budget deficit to between 4 and 6 percent of GDP, and an improvement of the import-export balance;

—A guarantee of high and stable rates of national economic development by restructuring and reactivating traditional branches and sectors with opportunities for development and cooperation under the conditions of the market;

—The encouragement of investment in new jobs, applying the strategy of an open economy with the aim of integrating it in the European economy.

We will rely on:

—Small and medium-sized business as the main engine of the country's economic development and progress;

—Indirect intervention by the state in the economy and in social life by means of laws, regulations, standards, and budget, financial, and credit policies;

—The construction and reconstruction of an active financial and banking system, which will take upon itself the financing of the economy and the reactivization of idle financial capital.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

2. A Very Active Private Sector, an Effective Public Sector

The PS will quickly, transparently, and fairly carry out a genuine, solid, and effective privatization program. Our aim will be to complete privatization within the first two years of the legislature.

The PS will extend privatization to all sectors of the economy and will carry it out by a variety of methods. Large-scale privatization will be our priority.

We will reshape large-scale privatization in order to ensure the active involvement of all strata of Albanian society by means of full and timely information about the assets to be privatized. We will not allow any asset to be privatized without publishing 15-20 of its technical and economic data. [sentence as published]

We will guarantee the proper use of bonds and will revalue them by means of auctions and other forms of honest and uncompromised competition, effectively using a financial market that will be placed on an institutional footing, the stock market, and intensive work on the part of financial mediators and investment companies. We will extend the period of validity of the bonds issued so far. We will give the homeless the right to use their bonds to buy houses.

The protection, support, and encouragement of the private sector will be our priority. We will support the private sector with educated and qualified managers and specialists and with bank credit. Every private entrepreneur will be master of his own property. The PS recognizes and will respect the property rights of all those who are owners under existing legislation.

The PS will immediately seek to approve a new and comprehensive privatization law in order to support:

—Concrete objectives, tasks, and deadlines for privatization, which can be readily monitored by the People's Assembly and the public;

—The total reorganization of the National Privatization Agency and its investment with powers to follow the entire process before, during, and after the privatization of enterprises, in order to avoid haphazard behavior and abuses among the boards and groups that have been cobbled together and have become bywords for corruption, manipulation, and theft;

—A radical improvement of the work of the Agency for the Restructuring of Enterprises, in order to transform it from an institution that leads enterprises into bankruptcy into an organization to adapt enterprises to the conditions of the market economy.

We consider small and medium-sized private business to be an engine of the economy. With the PS, businessmen's property is secure, their capital grows, and their risks and stresses are reduced.

We will secure for businessmen:

—A climate for the normal conduct of business;

—Candid communication with the state and a guaranteed struggle against corruption in the state administration;

—Conditions for credit and proper relations with the banks. The bank will provide a home for businessmen;

—Fiscal concessions for job creation and for the efficient use of national resources;

—Technical assistance for organizations that protect businessmen's interests.

We will achieve an efficient and competitive public sector. Public assets will be separated by law into national and local assets, and, in accordance with this division, the responsibilities and prerogatives of the relevant institution of the state, as an agent in the economy, will be determined.

The public sector will conduct its activities entirely in the form of trading companies, open to cooperation with the public sector. State co-ownership will change in accordance with economic and social factors and with the fulfillment of conditions to secure their effective operation.

3. Financial Stabilization

The PS will continue to modernize and reform our country's financial and monetary system, removing the distortions that have arisen in practice, with the aim of supporting the country's macroeconomic stability and establishing a social market economy in Albania.

Budget policy: The PS will apply a financial and budget policy that will aim at macroeconomic stabilization and keep the budget deficit under continual control in relation to a norm in harmony with the rate of the country's development and prospects for economic and financial integration in Europe:

For this purpose:

We will better harmonize the annual growth of spending with the growth of incomes and GDP. With a stable economic growth between 8 and 12 percent of GDP, we will keep the budget deficit under control, within an acceptable limit, in order to stabilize it at no more than 4 to 6 percent of GDP by the year 2000.

We will keep inflation under control, not permitting large fluctuations over short periods, with the aim of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

keeping inflation below double digits throughout our next four-year mandate.

We will maintain the stability and buying power of the national currency by continuing a policy of liberalizing exports and imports, increasing production, and absorbing foreign currency better through trade and other activities.

We will change the pattern of distribution of budget expenditure by giving priority to the management of national resources and developing the private sector, infrastructure, and human resources. The drafting of advance budgets for several years ahead will also assist these goals.

We will establish strong discipline and control on expenditure, especially administrative and nonproductive expenses.

The PS will pursue a realistic policy of wages, pensions, social security, and welfare in harmony with the country's economic development and financial and budgetary possibilities, genuinely increasing pay and pensions, indexing them to inflation, and pursuing a policy of social solidarity to help unprotected strata of society.

We will openly apply the familiar principles of creating the budget system of a democratic state, ensuring the financial independence of local government by organizing local budget finance, and defining the financial, property, and ownership rights, duties, and responsibilities of local government.

The PS promises to draft, approve, and implement a transparent budget for the representatives of the people in the People's Assembly and the various public bodies so taxpayers and all the Albanian people will know what happens to their leks.

Taxation Policy: The PS aims at and will support a fair and socially impartial tax system that will be economically efficient; will economically revive the country; will encourage production, investment, small and medium-sized business, and employment; and will alleviate the social problems of the population.

For this purpose, the PS will reconstruct the existing tax system with the goal of reducing the average tax rate and expanding the tax base, in contrast to the present system with its high rates and narrow tax base. This will be achieved by introducing differential and preferential tax rates on the profits of productive industries, especially those that create new jobs, in contrast to trading concerns. We will introduce:

—Lower taxes for ordinary people and for small and medium-sized businesses;

—Concessions for domestic and foreign investment, especially those that create new jobs;

—Restructured excise rates;

—A tax policy that encourages agricultural and meat and dairy production for domestic and foreign markets;

—A restructured wealth and property tax that will be as realistic as possible.

The PS will pursue a fiscal policy based mainly on proportional taxation, which is neutral toward the accumulation of capital and the development of the economy, harmonizing it with care and moderation with gently progressive taxation.

The PS will implement a customs policy with tariffs of a fiscal nature that will open the way to free trade with all the countries of Europe and the world, combined with a temporary protective fiscal policy for some traditional branches of industrial and agricultural production for which we have competitive natural and climatic conditions. We will aim to:

—Adapt customs tariffs in the interest of the country's economic development;

—Review customs tariffs with an eye to reducing them, especially with regard to primary foodstuffs that are not produced in sufficient quantities within the country to meet the needs of the population;

—Remove customs duties on agricultural machinery and at the same time make it possible to halve the customs tariffs on all imported machinery and equipment for the needs of production;

—Follow a policy of flexible seasonal customs tariffs for the export and import of agricultural and meat and dairy products;

—Expedite the modernization and computerization of existing customs points and the opening of new ones in several districts of the country.

The PS will complete and enforce tax legislation in order to further tighten financial discipline and the control of the administration of taxes and to minimize tax evasion, fraud, nondeclaration, corruption, speculative financial activities, and illegal enrichment through smuggling.

Reform of the banking system: The PS will hasten the reform of the banking system, which has become the main obstacle to completing the economic reform. Our goal is to secure the real independence of the banking system.

We will shoulder the responsibilities:

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

—Of hastening the restructuring and reform of the secondary banks, which have hitherto been based entirely on state capital, and increasing the capacity of the banks fivefold;

—Of supporting the creation and operation of private banks with domestic, joint, and foreign capital;

—Of aiding and encouraging the creation of credit associations, especially in the countryside, in order to support farmers, businessmen, depositors, consumers, and others.

The PS will modernize and improve the banking system to create an adequate and modern system of payments, providing the liquidity that will enable the prompt completion of financial and trading transactions with domestic and foreign businessmen.

The PS will introduce a policy of monetary and credit incentives, especially in support of small and medium-sized business, with interest rates in accordance with the principles of the market economy and the monetary and financial market itself, in contrast with the practices of party-based corruption in the granting of credit. Measures will be taken to begin to use indirect means of credit control.

The PS will make up for the delay that has arisen and will hasten the creation, development, and modernization of the financial market, the capital market, and the stock exchange and securities market.

The PS will create a special organization whose task will be to calculate the foreign debt, administer the outstanding debt, and study the use of newly created debt.

Earnings from higher exports, the granting of concessions, and especially concessions involving stimuli for reinvestment will be used to pay the outstanding debt, as will a portion of accumulated national assets.

An economy integrated with Europe and the world: The PS will hasten the process of the countrys economic integration with the European and world economy. It will soon make possible the signature of an association agreement with the EU. We will enter into dignified and professional dialogue with Europe and the world. For this purpose:

We will continue to strengthen cooperation with international financial and monetary institutions such as the IMF, the World Bank, the European Bank for Reconstruction and Development, the PNUD, and other relevant organizations of the EU, as part of deepening the reform and developing the country's economy.

We will fulfill the necessary conditions for European integration, adapting to the structures of this economy, and entering into economic cooperation with Balkan and regional countries.

We will harmonize and adapt the fiscal, banking, and credit system for financial integration with the EU countries.

We will take all measures to accomplish the transition to a system of value-added tax and to harmonize our tax legislation with that of Europe, in order to respond better to the needs and duties of specialization in a European context.

4. Priority to Traditional Sectors With Opportunities for Development We consider the present policy of destroying existing production structures to have been mistaken and harmful. The state left its enterprises in the lurch, when it should have restructured them in order to adapt them to the new conditions of the market economy and to attract investment in technological renewal. The result of this policy is the currently very low level of industrial production.

The PS considers the direct or indirect stimulation of production and employment to be one of its main strategies of development. It will achieve this objective by:

—Undertaking the possible restructuring of the existing capacity of enterprises, making them effective competitive structures in a market economy;

—Creating new capacity, by encouraging the investment of domestic and foreign private businessmen.

We aim, within the two first years, to ensure one-half of the annual growth in the GDP from the growth in industrial production, which will make it possible to create 50,000 new jobs. We will also support the further expansion and modernization of the tertiary sector of services, trade, etc.

We will give priority to traditional production sectors with opportunities for development, such as agricultural production and food processing, tourism, the textile industry and ready-made clothing, construction materials, the wood-processing industry, and other light industries and handicrafts. For this purpose:

—We will introduce temporary protectionist measures both directly and indirectly through fiscal and customs policies;

—We will create new and appropriate managerial structures;

—We will encourage private businessmen to make investments that create new jobs and increase exports through concessionary fiscal policies;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

—We will encourage the interest of strategic investors in concessionary agreements and free zones. We will give priority support to devising and enforcing an ambitious program of tourist development in order to make tourism one of the most important and profitable branches of the economy. We will pursue a concessionary policy for domestic and foreign investment in this sector. Our program will bear in mind all the countrys tourist potential and will aim at:

—Developing tourism on the coast and in the interior, encouraging the development of home tourism thorough financial support and with the help of credits;

—The development of tourism for the Albanians themselves, without which a satisfactory movement of foreign tourists cannot be achieved;

—Restructuring existing large tourist centers and creating new ones with the goal of laying the foundations for the development of elite tourism.

We will not leave in the lurch, as has been done hitherto, the large industrial centers such as the Metallurgical Combine, the textile combines, the Tractor Combine, the factories of the chemical industry, etc. Following research, we will secure funds to reactivate, partially or in phases, their productive capacity or their infrastructure, achieving their technological renewal for their original purposes or other purposes in order to enable them to compete freely on the market.

The PS will put into economic circulation the reserves of chrome, copper, and other well-known minerals that long-term forecasts of the international metal market will show to be profitable. The goal will be realized with the help of:

—A preferential fiscal policy toward the mineral-producing corporations and other organizations;

—The total restructuring of Albpetrol, Albkrom, Albbaker, etc. They will be administered in the form of trading companies, in which the state will initially own the majority of the shares;

—Achieving agreements with strategic foreign investors.

The geological service (Gjeoalba) and the hydrogeological service will belong to the state. In accordance with programs for the countrys development, we will seek to obtain the finance necessary to conduct periodic research into geological and oil-bearing structures, and to take stock of the entire potential resources of solid minerals and water.

In the chrome industry, the goal will be:

—To carry out the necessary investments in the mines in order to secure the ore necessary to produce ferrochrome and export-grade chrome.

—To put to work at full capacity and to restructure the Burrel and Elbasan smelting plants, with the goal of producing 80,000 metric tons of ferrochrome by the year 2000;

—To reconstruct the chrome enrichment plants in order to improve their technical standards and economic results and to permit larger quantities of low-grade ore to be exploited economically.

In the copper industry, the goal will be:

—To reconstruct the copper enrichment plants in order to raise the level of extraction and to profit from other elements present such as zinc, gold, and silver.

—To reconstruct the smelting furnaces in order to raise the level of copper extraction and to industrially exploit their gases.

—To carry out investments in existing and new mines in order to improve extraction technology and to ensure adequate quantities of ore for enrichment and smelting.

Small chrome and copper mines will be totally privatized, so that individuals or groups of individuals may buy them and use them effectively. Coal mines will be privatized and their further development will be determined by the demands of the domestic and foreign market.

Our immediate and medium-term objectives for the oil and gas industry are as follows:

—Albpetrol and the relevant institutions of the state administration will be fully restructured and placed on a new institutional footing.

—The necessary investments will be carried out immediately in order to secure a fast increase in the production of oil from existing sources and to financially revive Albpetrol.

—There will be support for the further introduction of foreign capital and experience.

—Our long-term objective is the significant and stable growth of oil and gas production.

5. Problems of the Development of the Infrastructure

The development and modernization of the backward infrastructure we inherited and which was further destroyed in the transition period of 1991-96 is one of the greatest challenges that we must face on the threshold of the new millennium, in order to set Albania on

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the road to becoming a developed country, integrated in Europe. With this goal, the PS proposes three major development programs:

Albania 2000

Urban Development 2000

Rural Development 2000

We base the performance of these programs on the commitment and professional abilities of the state administration and the countrys academic institutions and on dignified cooperation with foreign donors.

The financial resources for the implementation of these programs will include funds from the state budget for the Public Investment Program, funds from agreements with foreign donors, and private investments. About 160 billion leks will be invested under these programs in the next four years.

The Albania 2000 Program

The Albania 2000 program includes all the investment projects for the expansion and modernization of the nationwide infrastructure. It is planned that about 55 billion leks will be invested in this program, which will include:

1. The reconstruction and rehabilitation of the countrys main roads. The construction of the two main corridors from west to east (240 km) and from north to south (380 km) will be completed by the year 2000. The rehabilitation of the remainder of the Tirana-Durres national highway will be completed in 1997.

2. The expansion and modernization of the country's ports. Faster communication with other countries of the region and with Europe by air, sea, and road will be made possible by expanding the service infrastructure of the country's ports, including Rinas Airport and the ports of Durres, Vlore, Sarande, Shengjin, and the border points of Kakavije, Kapshtice, Qafe Thane, and Han i Hotit. New border crossing points and customs points will be opened with neighboring countries for the use of travelers and for freight. An internal air service will be inaugurated, linking Tirana, Shkoder, Korce, Gjirokaster, Kukes, and Sarande.

3. Rail transportation will be revived. Investments will be made in the technical renovation of existing railroads and in order to put domestic and international passenger and freight transportation on an efficient footing.

4. Expanding and stabilizing energy resources will make it possible to complete projects for the rehabilitation of existing hydroelectric stations and the transmission and distribution grids, to reduce nontechnical loses, to build new hydroelectric stations, and to use new energy resources for household heating, such as methane gas, liquid gas, and solar energy.

5. The expansion and modernization of the telecommunications network: A number of important projects will be carried out that will make it possible to meet the fast-growing demands of subscribers. Within two years, standard trunk dialing will be introduced among all the countrys towns, and telephone links will be secured with all rural areas. The quality of telephone lines will also be significantly improved. The Adria I [Roman one] and Trans-Balkan Line (TBL) projects will significantly expand the channels of international communication and information.

The Urban Development 2000 Program

The goal of the Urban Development 2000 project is to develop urban infrastructure in order to make citizens lives easier and more comfortable, to change the appearance of the towns, and to adapt their development to the new conditions of the market economy. The projects of this program, which include investments amounting to 50 billion leks, will concentrate on certain concrete objectives.

The supply of electricity to the towns will be stabilized within one year.

Within two years, the critical situation in the water supply to the towns will be overcome, by rehabilitating the water distribution network and reducing losses from the network. Normal water supplies will be achieved by 2000 following the expansion of sources and the construction of new distribution networks.

The use of paraffin, gas, and coal will be encouraged for household heating. Customs tariffs on these items will be removed for three years.

In order to set the housing problem on the road toward a solution, the National Housing Boards funds will be doubled from the budget and other sources, in order to build between 8,000 and 10,000 new apartments a year up to 2000. Private investment in building houses for homeless families will be encouraged, with the help of a preferential fiscal policy for homeless families. The construction of apartments will be preceded by preliminary studies for building lots with the necessary infrastructure for utilities.

The maintenance and surfacing of city streets will be guaranteed with the help of nationwide projects and local government funds.

Besides accomplishing special projects for the expansion and modernization of urban public transportation,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

local government authorities will take immediate measures to eliminate the present irregularities and anomalies.

Within two years, urban refuse collection and street cleaning will be restructured and normalized, with the support of the necessary funds.

The Rural Development 2000 Program

The Rural Development 2000 program aims to construct a basis for rural infrastructure as a basis for increasing agricultural production and stockraising, to fight against poverty, and to improve living standards. The investment projects, on which it is planned to spend about 55 billion leks, will concentrate on the following objectives:

Of the 8,000 km of feeder roads that link villages with the national highways, about 4,000 km will be rehabilitated, giving priority to areas with an important productive potential and isolated villages remote from urban centers.

Important investments will be made in repairing damaged irrigation channels and building new ones, giving priority to extremely poor villages and those with epidemiological problems.

Besides projects to expand and improve the telephone network in rural areas, telephone links will be reestablished within two years with all centers of communes and with a significant number of large villages.

Investments will be carried out to revive the primary health care system, with the goal of giving every commune a health center.

Large irrigation and drainage channels and soil protection stations will be maintained in readiness against floods. Important investments will be carried out to renew the irrigation system, restructuring it on the basis of communes in order to ensure that farmers themselves maintain it.

Alongside support for expanding the work of private veterinarians, a veterinary service will be organized on the basis of the communes.

We will support the activities of private business to create trading centers, agricultural machinery stations, and centers for the processing of agricultural production and other services.

Effective Integration of the Countryside in the Market Economy

The objectives of the PS's agrarian policy are to encourage greater agricultural production nationwide, to create a modern and competitive agricultural sector protected from foreign competition, and to secure a sure future for small rural landowners in which the vital needs of the peasantry will be met.

The PD's four years of government have not succeeded in bringing the countryside out of its crisis. The euphoria of official propaganda cannot hide the serious situation in which this sector of the national economy finds itself. The decline in production and in crop yields is evident. A deep gulf has been created between the price of agricultural products compared with the prices of agricultural input such as water, fertilizers, fuel, seeds, etc., to the detriment of the peasantry. The import-export deficit of agricultural products and foodstuffs has significantly increased. Orchards, vineyards, greenhouses, seedbeds, and nurseries have been destroyed. The forests have suffered severe damage. The destruction of the infrastructure of irrigation and drainage has created dramatic floods and has led to the reappearance of swamps and salt land. The area of irrigated land has declined. The level of mechanization has fallen, and the use of fertilizers has declined significantly, as have standards of animal husbandry and the veterinary service.

The system for the procurement, storage, and trade of agricultural and meat and dairy products no longer operates. More than 80 percent of peasant producers still do not put their produce on the market. The incomes of 85 percent of peasant families are below the official poverty line. The education, health, telephone, and road systems have been seriously damaged.

The PS promises Albanian farmers that it will overcome this serious situation that exists today.

1. Toward Modern Agriculture

The PS promises Albanian farmers that it will put an end to the current phenomenon of declining opportunities for production and the trend toward primitive agriculture. Our strategic objective will be to effectively integrate the countryside in the market economy and to point it toward modern agriculture. To this end:

We will put an end to the insecurity of many peasant families, guaranteeing them the property rights over their land enshrined in the Land Law and the Law on the Sale and Purchase of Land. We will put an end to delays to the redistribution of the assets of the former agricultural cooperatives.

The state will undertake to carry out the necessary investments to rehabilitate existing large-scale irrigation and drainage channels (primary and secondary channels) and will build vital new channels, as well as conducting soil-improvement schemes to protect the land from erosion and floods.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

We will encourage the ownership of agricultural machinery among farmers. We will encourage and support the creation of private associations for agricultural machinery and for reducing the costs of agricultural services, in defense of the interests of the peasants. We will make use of the experience of countries with advanced agriculture.

We will organize and exercise control on the production of seeds and saplings and on improving breeds of animals. We will encourage the private initiative of individuals and companies, associations, and Albanian and foreign firms, and will amend the relevant legislation and control structures for the enforcement of this legislation.

The state will undertake all the expenses for the protection of crops from epidemics and the costs for combating such dangerous diseases among animals as brucelosis and tuberculosis.

We will stimulate the creation of private credit and marketing associations. The state will also partly cover and guarantee the contracts of these associations for the procurement and production of goods.

In cooperation with specialized international associations, we will carry out a national program of land preservation and use. We will conduct a scientific assessment of our resources of land and of alternative uses for it on the basis of climatic, economic, social, and demographic conditions.

We will give a proper place to academic institutions in the service of agriculture and will support them. We will effectively use the potential of qualified agricultural specialists as advanced countries do. We will create the Academy of Agricultural Sciences to coordinate all the academic work.

2. Encouraging and Protecting Agricultural Production

We will subsidize the main expenses involved in increasing agricultural production, such as chemical fertilizer, fuels, and seeds. The state will cover:

—50 percent of the price of selected seeds for the main crops;

—30 percent of the retail price of fuel used for the mechanization of agriculture and fishing;

—Favorable land irrigation rates for farmers.

We will enforce a studied and flexible customs policy in order to increase production and to encourage the presence of some agricultural, meat, and dairy products on the domestic market, in order to protect domestic farmers from the competition of foreign products. This customs policy will not threaten consumers' interests.

We will expand the credit opportunities for the peasant economy and will subsidize a proportion of the interest payments on agricultural credits, especially for competitive production and activities on the domestic market and for export.

We will make every effort to secure export quotas and import licenses from the EU, with the goal of part of the profits going to Albanian traders.

We will tax the peasant economy on the basis of the level of its earnings. We will exempt from taxes all peasant families whose earnings are below subsistence level. Taxes for farmers whose earnings are above the subsistence level will be extremely reasonable, with the goal of encouraging them to invest their resources in the further development of the private economy.

3. Meeting the Vital Interests of the Peasantry

We will carry out a program to bring urban amenities to villages, creating and improving the infrastructure for essential services, in order to secure drinking water, electricity, telephones, and roads. We will repair and expand educational, health, and cultural facilities.

We will find ways and means of reducing hidden unemployment in the countryside, which is currently at very high levels. We will stimulate the production of high-value products for the domestic market and for export, which will call for a large work force, a tertiary sector in the countryside, the creation of processing industries, and will create jobs appropriate to various zones and regions, not only in the countryside.

We will exploit the opportunities of developing agricultural tourism (agrotourism), hunting, and fishing, and to create ecological farms, especially fish farms and farms in mountain areas, for the production of high-quality ecologically pure products at high prices. We view these as opportunities of creating jobs in the countryside and a way of increasing the earnings of peasants in special agricultural zones.

We will increase the pensions of the peasantry in order to reduce the very marked difference that is apparent today, and to remunerate more realistically the contribution rural pensioners have made to developing the national economy.

We will increase economic support for peasant families with little land. Peasant families in hilly and mountainous areas, and especially in the northeast, will be given priority.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Social Policy—The Essence of Our Alternative

Our alternative has human beings at its center. It aims to combine economic efficiency with the alleviation of social inequalities, higher earnings, and social protection, especially for marginalized strata of society.

The shock therapy applied by the PD led to many harmful social consequences. Unemployment throughout this period has been virtually double what is officially admitted. About 60 percent of wages in the public sector are below the subsistence level. It is impossible for 500,000 pensioners to cover their most elementary needs with their pensions. Savings deposits have been devalued by a factor of 10. The social welfare network is weak. Almost 20 percent of Albanians live on economic assistance. The policies pursued by the PS have lead to a rapid and extreme polarization of society.

About 60 percent of the clinics and health centers were destroyed, especially in the villages. The hospitals and ambulance service were also affected. In many remote villages, even minimal medical care was not available. Infant mortality has increased, and tuberculosis is reappearing as a problem. There is obvious corruption in the medical service.

Our alternative of the social market economy aims to combine economic effectiveness with the alleviation of social inequalities. Human beings are at the center of our alternative. Employment is our greatest objective

1. Our Program for Employment

The PS promises to create 200,000 to 250,000 jobs during the next four years. Our goal is concrete and realistic.

Our program of employment is based on:

—Creating 50,000 jobs in the first two years of the legislature by reviving and exploiting existing capacity in all branches of the economy;

—Creating 25,000 to 30,000 jobs every year through the investments of domestic and foreign firms in small and medium-sized firms in the production, trade, and service sectors. We consider small and medium-sized businesses to be a foundation for employment.

—Creating 60,000 to 80,000 jobs in four years through public investment to accomplish development programs for the infrastructure. A considerable proportion of the unemployed work force will gradually become engaged in public works.

—Creating 5,000 jobs every year by expanding public services, and through seasonal work and part-time work. The authorities of local government in the field of employment will be expanded.

Public employment policies will be supported by financial incentives:

—Profit tax will be reduced by 1 percent for every new job created, up to one-half of its total.

—A quarter of an employer's social security contribution will be deducted for the employment of every unemployed person in receipt of social assistance.

—Customs concessions will be granted to domestic and foreign investors who invest in the creation of new jobs.

We will give priority to the employment of new college graduates and those who have completed specialist studies within Albania or abroad, mainly through the reorganization of academic research institutions in accordance with the conditions of the market economy.

We will create a special training and retraining network to speed up and ease the integration of the unemployed into the labor market.

We appreciate the value of economic migration abroad as an opportunity for employment, training, and increasing family and national earnings, Emigration offices will be opened in Italy and Greece.

In order to carry out this program, we will improve and expand on the basis of the experience of Europe, the network of employment offices and agencies. The system of free information for employment opportunities will be organized better.

2. Wage Differentials and Incentives

There will be no wages lower than the subsistence level by the end of 1997.

The Council of Ministers will be legally entrusted to index pay to the rate of inflation twice a year.

Wage increases in the budget sector will be introduced in accordance with rising revenues, while a fair distribution among the different categories of employees will be calculated. In particular, we will revalue the work of employees in education and health.

The policy and procedure of determining wages will be laid down by the National Labor Council, made up of representatives of employers, employees, and the government.

3. Treating Pensioners as They Deserve

In the first and second years of the legislature, we will give priority to increasing pensions in the towns and especially in the countryside. This increase will bear in mind peoples contribution and skills in work, bringing new pensions into line with old ones with reference to age and profession.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

In order to alleviate the disproportion that has arisen between pensions and wages, the average level of pensions will be increased twice as fast as inflation.

Pensions in the countryside will be index linked, like all other pensions. Pensions following work in the former agricultural cooperatives will be brought into line with those from work in the former agricultural enterprises.

Pensions will be awarded on special merit according to criteria laid down by law, and avoiding all the political and party-based discrimination that has been evident hitherto.

Veterans of the National Antifascist Liberation War will genuinely enjoy special treatment, better than under the existing law.

We will increase the number of insured people in the towns and in the countryside in order to reduce the cost of social security contributions to between 5 and 10 percent of production costs by the end of the legislature.

4. The Renewal and Improvement of the Medical Service

We will put into full operation the system of primary health care. In order to cope with the health problems of the rural population and the needs of the urban clinics:

a) The infrastructure of the primary health care service (clinics, health centers, etc.) will be reconstructed and renewed;

b) This system will be totally covered by the relevant medical personnel (family doctors);

c) A priority of health policy will be to prevent disease and their causes. Attention will be concentrated on vaccination, hygiene, professional medicine, and health education (AIDS, tobacco).

The high and rising level of mortality among mothers and children in recent years calls for a greater material and human commitment. Organizational and structural improvements and better prevention and treatment will achieve a significant decline in mortality among mothers and children.

District hospitals, and gradually regional hospitals too, will be equipped with medical apparatus in order to increase the quality of diagnosis and treatment of patients. Effective measures will be taken for medical training. Structural improvements in the equipment and specialist training of the staff will be introduced in the University of Tirana Health Center.

Significant improvement will be made in the emergency service and in the early diagnosis of patients. The improvements will involve aspects of structure, organization, equipment, and training.

Because the rising number of cases of tuberculosis has begun to become a problem again, the health service will be especially committed to a struggle against this disease. Improvements and additions will be made to the laws and organizational and technical regulations for the prevention and treatment of tuberculosis and the monitoring of patients.

The main objective of the policy of supplying the population with medicines will be to stimulate the domestic production of medicines and to rigorously control those that are imported.

In health insurance and subsidies for medicines, a constant of the PSs policy will be a preferential health policy for children, invalids, veterans, and members of the third age.

5. Secure Social Welfare

Unemployment pay will be increased by 30 percent and will be linked to the rise of inflation every year.

Economic aid will be increased by 35 percent for families without incomes or with low incomes, invalids, and labor invalids. Institutions for the elderly, orphans, and the blind will enjoy special treatment by the state.

The number of families requiring economic aid from the state will be reduced by 40 percent through a more active employment policy.

The states policies for the alleviation of poverty in certain rural areas will be coordinated with those of international financial organizations.

6. Let Us Protect and Improve the Environment

The PS will enforce a scientifically based ecological policy for the protection, improvement, and rational use of the environment. We will demand:

—The rigorous enforcement of the law and the completion of a legal framework to preserve and prevent damage to the environment, forests, parks, lakes, and rivers, with comprehensive measures and strict regulations for the preservation of the environment from industrial, urban, and agricultural pollution.

—The definition of economic, social, and legal criteria and standards for the use of nature without harmful consequences for the environment and people's health, and the encouragement of sound administrative and economic practices for the preservation and regeneration of the environment.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

—The encouragement of scientific research and the introduction of advanced technology that will protect people's health from environmental pollution, with the collection and analysis of full data regarding ecological indicators. These data must be scientifically monitored to ensure the immediate recognition and prevention of environmental pollution and the improvement of environmental indicators.

Our Investment in the Future

The PS will invest more in youth, the real torchbearers of progress, and in education, culture, and science, because we consider them essential factors for the existence, identity, and future of the Albanian people.

Young people have experienced a serious disillusionment during the four years of government by the PD. The PD promised Europe and left hundreds of thousands of young people on foreign soil without any kind of state agreement or care. It promised education and work, but narrowed entry to education at all levels and left young people on the streets without any hope of work. Only 6 to 10 percent of university graduates are employed in the fields they have studied.

Dozens of primary and secondary schools have been closed, and the number of pupils in all schools below university level has declined, The number of day-release students has declined significantly, and illiteracy has begun to appear again, especially in the countryside. Pay for teachers at all levels remains among the lowest. The creative intelligentsia has been left to the mercy of fate. The brain drain has become worrying. The majority of academic research institutes have ceased to exist.

The overwhelming majority of houses of culture in villages and towns have been damaged, closed, and abandoned, and all cultural institutions have been almost totally neglected. State interest and investment in culture and genuine cultural values is at a minimal level, and valuable resources of national culture have been plundered. The majority of villages have lost all contact with books and newspapers.

As a party that looks to the future, the PS appreciates the irreplaceable role of education, science, culture, and health protection for the country today and for its future. It considers them to be essential factors for the nations identity, emancipation, and progress, and for the construction of a genuinely democratic society.

1. /. New Role for Youth in Society

The PS values the younger generation as the most vital force of society and the real torchbearers of the future and the nations progress. Our commitment to a new role for young people in Albanian society stems from this view.

The PS will seek the active involvement of young people in all areas of the countrys social, economic, and political life. It is open to dialogue with all young people who wish to cooperate to build genuine democracy.

The PS offers young people equal opportunities for learning and employment and for a life in accordance with their education, qualifications, abilities, and talents.

The PS has laid down objectives for education, science, and culture in accordance with the interests of young people. Through these objectives, it aims to offer young people more opportunities for employment and to encourage and economically support students according to their social strata, the regions they come from, and their results at school. We will encourage and support creativity of quality and talents in science, culture, literature, the arts, and sport.

The PS will make a priority of committing itself to employing young people in the towns and the countryside. We will create opportunities for young peoples training and retraining and will significantly increase the number of jobs, not on any account allowing any form of economic discrimination against young people.

The PS realistically recognizes the contradictions between the generations. It will make it possible for the older generation to make room for the demands and interests of the young generation, and, at the same time, will ask young people to understand and respect the efforts, contribution, and experience of the older generation for the development of Albanian society.

2. The Structure, Educational Content, and Effective Administration of Schools

Considering the general education of the younger generation as a necessary condition for the emancipation and uninterrupted progress of Albanian society, we will ensure:

—The drafting and approval of an entire law that will embody a medium- and long-term strategy for the development of education. This law will lay down the main objectives, paths, rates of development, and educational structures in order to raise the level of Albanian education toward European standards and to make these objectives known throughout the Pan-Albanian world;

—Mass secular education, guaranteeing free education at all levels of public schools;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

—The creation of the necessary conditions to raise the level of Albanian education, both in form and in content, toward European standards, preserving our educational traditions and implanting the spirit of our national awareness;

—A genuine guarantee of apolitical schools, with professional skills as the basic criterion of staff selection;

—A proper moral, legal, and financial appreciation for teachers and lecturers;

The physical and structural rehabilitation of schools nationwide, and the prevention and elimination of illiteracy;

—Equal chances for admission to colleges by competition and an increase in the number of college admissions in order to reach the advanced levels of European countries. We will also create more places for young people from Kosova and the Albanian territories in the Former Yugoslav Republic of Macedonia [FYROM] and Montenegro;

—Education for the minorities in accordance with the rights laid down in international conventions;

—A review of the entire present organizational and administrative structure of education in order to increase the responsibilities of local government;

—The preservation of the system of students dormitories under state administration, with improved conditions to secure as normal as possible a life for the pupils and students living in them;

—The creation of the necessary room for the diversification of education into those fields for which society has the greatest need under the conditions of the market economy;

—The creation of a flexible policy for retraining citizens who lose their jobs and who must be retrained for other professions involving new and future technology;

—A higher level of democracy in schools of all levels and the selection of staff according to professional criteria;

—More autonomy for and competition among our colleges; more academic freedom for college staff; lighter work loads for lecturers; mutual recognition of diplomas; and an increase in the exchange of research information and of participation in joint projects with sister institutions abroad;

—Encouragement and support for postgraduate study conceived and organized on a new basis;

—Support for initiatives to develop private education within a legal framework.

3. Support for the Country's Academic and Professional Potential

The PS sees science, technology, and the country's intellectual and professional potential as primary factors for setting the country on the lines of stable development, intensifying cooperation with European and overseas countries, and promoting integration with Europe.

The PS is committed:

—To reviving and modernizing scientific research in production and service technologies;

—To creating conditions for making rational use of specialists and intellectuals, training young Albanian scientists in the service of the public and private sectors, reducing their level of emigration for economic reasons to a minimum, and creating and reinforcing structures for training high-level and medium-level specialists in new professions;

—To giving priority to applied scientific research with the goal of exploiting existing resources for production and services and assisting the selection and introduction of foreign and domestic technology;

—Improving the overall structure of scientific research and planning institutions, the principles for their work, and appointing and encouraging individuals who work and who will work in this system;

—To supplementing the legal framework relating to science, technological development, education, training, and industrial property with the necessary acts to ensure the independence of scientists, specialists, and scientific institutions from administrative bureaucracy and party political intervention;

—To doubling the finance from the state budget for science and technology;

—To intensifying cooperation with Europe, the United States, and all other countries and organizations for university and postgraduate study, exchanges of experience, information, documentation, technical assistance, to include joint projects in scientific and research and technology.

4. Culture, Literature, the Arts, and Sports—Important Factors for a Civilized Society

Realistically assessing the role of culture, literature, the arts, and sports in the civilization of society and cultivating democracy, we will demand:

—Increased funds from the state budget for culture, in order to secure the modern functioning of national cultural institutions, museums, theaters, the Opera and Ballet Theater, the National Theater, the National Library,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the film studio, libraries, houses of culture, important sporting activities, the cultivation of folklore, and the publication of traditional literature and young writers;

—Encouragement and support for private initiatives to reconstruct and revive houses of culture in towns, theaters, libraries, book shops, publishing houses, clubs, sports fields, and stadiums that the state has long abandoned;

—Total respect for unconditional freedom of creativity, and for a plurality of styles and creative methods;

—Greater scope for the publication of intellectual creative work through scientific, social, philosophical, literary, and cultural magazines subsidized by the state and assisted by sponsorship of different kinds;

—Respect for and the study and dissemination of traditional and national spiritual values, encouraging and creating scope for academic debate about the history and culture of the Albanian people and about the history of literature and the arts of the distant and recent past, in order to avoid any ideological or political slant in their appreciation;

—The publication, dissemination, and study of the cultural values, literature, and arts of Kosova and the ethnic Albanian territories in the FYROM and Montenegro, with encouragement and support for joint cultural and artistic activities, academic conferences, colloquiums, seminars, meetings, congresses, festivals, and olympiads in order to consolidate the conception of a single Albanian culture belonging to the Albanian people within and beyond the state borders.

—The elimination of the illegal traffic and export of cultural treasures and coordination of efforts with special international organizations to find and return to Albania the cultural treasures stolen in the years of transition;

—A defense of the status of authors, artists, and cultural personalities, by supplementing the relevant legislation and joining international cultural conventions;

—Progressive changes to the current law on sponsorship, with more suitable and beneficial quotas and conditions, in order to enable sponsors to make a greater contribution, and also the creation of several national prizes for the best achievements in a given year;

—The creation of greater scope for contact and exchanges with the outside world in the fields of culture, literature, the arts, and sports, with support for talents in these fields in order to perform these exchanges.

Partnership, Regional Stability, European and Atlantic Integration

The PS will ensure Albania more friends in the world, relations of good-neighborliness, and European and Atlantic integration. Our commitment to drafting and implementing a Pan-Albanian platform will help to solve the national question.

The PD constructed a dilettante foreign policy without an axis, which led to geopolitical imbalances and marginal forms of integration. It has led to harmful and unnecessary disruptions to relations with our neighbors, the establishment of unfair and sometimes undignified relations on the international plane, and even political indifference.

The PS has been and remains in favor of an open foreign policy shorn of all prejudices, which will be dignified and active, will help to make the national question an international issue, and will Europeanize intra-Balkan relations to the benefit of the defense of the country and of peace and stability in the region, while hastening Albania's European and Atlantic integration.

1. Good-Neighborliness and Regional Cooperation

Developing relationships of good-neighborliness is for the PS one of its main commitments in the process of integrating Albania into European and Atlantic economic, political, and military structures, and is a basic element and necessary condition for increasing the presence of foreign capital and investment in our country.

Our foreign policy will be active for the preservation of peace and stability and for strengthening bilateral and multilateral cooperation in the Balkans. The PS will meticulously carry out its international agreements and will make a tangible contribution to easing tension in our region.

We will intensify general relations and will aim to institutionalize high-level political exchanges with Greece, Italy, and Turkey. The necessary structures and concessions will be created to make it possible for these countries to increase their capital and investments in Albania, with the creation of banks or branches of banks with joint capital.

We will aim to further intensify traditional relations of cooperation with Bulgaria, Romania, Croatia, and other countries, and to expand into all areas of mutual interest relations with the countries that have emerged from the former Yugoslavia, in which almost a half of the Albanian population live. We will always bear in mind the problem of the treatment of the Albanians who live in their ethnic territories. The PS believes that opportunities exist to increase economic exchanges

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

between our country and Serbia and Montenegro to our mutual interest; these lie especially in more exchanges between border zones, the opening of new crossing points to facilitate cross-border traffic, and the opening of consular offices in Prishtina, Ulcinj, and Shkoder. Within this framework, existing relations of mutual interest with the FYROM will also be further developed.

The PS will seek to reactivate and add to the joint commissions with Italy and Greece in order to achieve other economic and cultural agreements and to exploit all the real opportunities for cooperation and exchanges of all kinds in border regions. We will work to legalize the positions of our emigrants employed in these countries and to reach an understanding for seasonal employment.

The PS favors the broadest possible involvement of the Greek minority in the political, economic, and social life of our country and also supports their education and the preservation of their national traditions.

We favor and will work for the free movement of people, ideas, and goods in the Balkans, and for a Balkans that will be like Europe, without obstructions and visas.

2. The Internationalization and Solution of the National Question

The PS favors the further internationalization of the problem of Kosova. It greatly appreciates the growing interest of the international community and especially the United States and the EU in a fair solution to the issue of Kosova. We think that a fair solution to the problem of Kosova is a vital condition for genuine and long-term peace in the region. We reemphasize that the principle of not changing borders by force does not conflict with the principle of the self-determination of peoples. The PS has supported and still supports the idea of dialogue between Belgrade and the legitimate representatives of Kosova in the presence of a third party.

The PS will work to set on the road toward a solution the issue of the property of the Cams, in accordance with international practices and principles.

3. Integration Into the EU and NATO, Closer Relations With the United States

The major objective of our foreign policy is to accelerate Albanias European and Atlantic integration. We will commit ourselves to fulfilling all the obligations arising out of membership of international organizations and political, economic, and military agreements to which Albania is a party. Achieving an agreement of association with the EU is a serious commitment for us, which requires first of all raising the standards of democracy in our country to those of Europe. The continual development of relations of friendship and cooperation with neighboring countries, members of the EU and the Atlantic Alliance, will serve this objective.

The priorities of the PS's foreign policy include developing relations with all the countries of the EU, with such powerful partners as Germany, France, and Britain, without at all discounting relations with states such as Russia, China, Japan, Canada, etc.

The PS values Albania's relations with the United States as specially important and commits itself to further intensifying them in political, economic, and military fields.

The PS supports the country's security and the modernization of its armed forces as part of a peaceful foreign policy and of collective European and Atlantic security. It has supported the Partnership for Peace, and will work for membership of NATO.

The PS will commit itself to exploiting and making more effective our country's membership of international organizations of an economic character such as the IMF, the World Bank, and the European Bank for Reconstruction and Development. We will work to secure the necessary conditions for full membership of the World Trade Organization and for integration in the group of central European countries. Our goal in foreign policy is for Albania to pass from its present client status to one of partnership.

4. Solidarity With the European Left and With Progressive Political Forces The expansion of the PS's ties of cooperation with the European left, with other progressive forces, and especially with the European Socialist Party, the socialist groups in the European Parliament and the Council of Europe, and the Socialist International are an expression of the international support that our party enjoys, and which will become ever more intense and powerful in the future.

Albania: Human Rights Union Presents Candidates in Sarande

AU0805143896 Tirana KOHA JONE in Albanian 8 May 96 p 5

[Article by Miranda Koci: "The Human Rights Union Presents Its Candidates in the South"]

[FBIS Translated Text] Sarande—Messrs. Qirjazati, Kali, Bule, Dalani, etc. presented the Human Rights Union's [PBDNJ] candidates for deputy in Sarande and Delvine yesterday morning. Party Chairman Vasil Melo is the candidate in Constituency 113, former Deputy

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Thoma Mico in Constituency 114, and the economist and former chairman of Sarande District Vasil Cako in Constituency 115. Kristaq Kali chaired the presentation in the Butrint Cinema, and PBDNJ Chairman Melo later took the floor. Melo promised neither a blank check, nor golden spoons, nor 400,000 jobs, but a genuinely democratic constitution. This is what will take the PBDNJ to victory. It has been the tie between the PBDNJ and Omonia that has brought results to our work. We as a party have joined this electoral campaign with the aim not only of surviving and gaining two or three seats in the parliament, but with a group of deputies that will mean that our voice will be heard. We are asking for a coalition government, because this is the only way to put an end to corruption. The PBDNJ, as a center party, has started its campaign with 107 representatives in 34 constituencies. Melo went on to analyze his party's program, whose main points were "a significant decline in unemployment through organized seasonal emigration to Italy and Greece, the legalization of refugees, the granting of refugee status on the basis of European conventions, guarantees for human rights and freedoms, the creation of an honest administration, and the revival of the economic base." The candidates then spoke, and Mico announced that we will soon have another border crossing point and that there will be a Greek consulate in Sarande before the end of the year. Melo then answered questions from the audience.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Bulgaria: Importance of BSP Plenum on Structural Reform

AU0805133096 Sofia DUMA in Bulgarian 8 May 96 p 7

[Article by Angel Bonev: "The Cabinet Should Measure Three Times Before Cutting the Cloth"]

[FBIS Translated Text] At the end of this week, the BSP [Bulgarian Socialist Party] Supreme Council and the deputies of the Democratic Left Parliamentary Group will meet to discuss the political concept for the forthcoming structural reform. The government has already declared its determination to act in this direction as quickly as possible. A preliminary list has already been prepared of 106 companies for immediate liquidation and 58 earmarked for rehabilitation. The aim is to put a stop to the accumulation of further bad debts as soon as possible. At the same time, a package of measures will be implemented to restore the banks to good health.

The public is ready to support even the most hardline version of the program to restructure the economy only if it is followed by practical actions and real market results. The previous reformist efforts of at least four cabinets have not extended much further than pseudoadministrative experiments. Their effect has been to lead Bulgaria to face a second economic and social shock that the people, exhausted by the transition, will find hard to bear. This is why the plans to declare a hundred or so plants and banks firms with heavy losses insolvent today is preferable to the complete collapse of material production and the financial system in the future, which will be the logical culmination of the almost six years of agonizing in the trap of the so-called monetary reform.

The big problem at the moment is how to avoid making cuts at random, and this is what predetermines the exceptional importance of the plenum on 12 May. The plenum participants must state their views regarding which methods should be applied for surgical intervention and the subsequent therapy. It would be good if the restoration of the economy is achieved at a tolerable social cost. The rest is the responsibility of the executive. It must radically excise those parts of the body of the economic system that cannot be healed.

In this respect, however, excessive haste is contraindicated. It is no great problem if some companies are removed from the preliminary list for liquidation, while others are added. This would not cast a shadow of doubt over the value of the work carried out by the government experts. Trouble will arise if a hasty procedure is instituted to close down viable plants whose production is finding real markets at the moment. Their highly qualified specialists have not yet been thrown on the waste heap, despite the unfavorable economic environment in which they have been laboring for the last six years.

This danger is not a hypothetical one; the managers of large enterprises and outstanding industrials have warned about it. The multiple-criteria approach adopted by the government experts when drawing up the liquidation list does not automatically guarantee that it will include only economically moribund plants, from which only the dry shell is left. True, financial results are the bottom-line indicator for any firm, but they are not enough when one is developing a comprehensive concept for the contents of the structural reform. It is no accident that National Assembly deputies believe that place should be found in the political concept that will be discussed at the 12 May plenum not only for privatization as a form for changing ownership, but also for the structure of the national economy, the correlation between the production and service sectors, and the structure of the industrial sectors and branches, of products, technologies, and markets. In addition, all this should be brought into conformance with the raw material and human resources.

It is bad that the time available for a calm examination of these problems elapsed long ago. Unfortunately, even the Socialist cabinet has not managed in the course of almost a year and a half in office to break the dominance of monetary measures. It could at least have taken the initial steps for the market and structural reform. The government will have to take these steps now, but under pressure from international creditors, without any possibilities of maneuver, and with the clear realization that a terrible black hole has yawned open in front of the economy. However, even under this time pressure, there is a chance left to review once more the criteria according to which some firms are to be rehabilitated and others to be liquidated. Accordingly, let the plenum measure three times before cutting the cloth. On its decision depends the social cost that we will have to pay, which it will not be a small one, given the radical change that awaits us.

Bulgaria: Differences Within BSP Emerge Before Plenum

AU0905085396 Sofia DUMA in Bulgarian 9 May 96 p 1

["DUMA PRESS" report: "Differences of Principle Within BSP on Structural Reform"]

[FBIS Translated Text] According to Nikola Koychev, differences of principle prevented the BSP [Bulgarian Socialist Party] Executive Bureau from reaching a

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

consensus view regarding the plenum on structural reform. Tomorrow the bureau will discuss the topic again. The BSP Supreme Council is to meet on Sunday 12 May.

The structural reform does not merely concern liquidations and privatization, Koychev believes. He is insisting that the party's political leadership discuss not only the current insolvencies of companies and banks, but also place these necessary actions in a broader context. According to him, it is necessary first to outline the more distant prospects for the reform, its goals and stages, and only then define the tasks of the day.

Koychev, who chairs two economic commissions—the party's and the National Assembly's—believes that the government is imposing monetarist criteria regarding the insolvencies.

The plenum was not called as a result of the topical situation, it was included in the BSP Supreme Council's plan at the start of the year, Koychev emphasized. We will not regulate in the BKP [Bulgarian Communist Party] Central Committee style, he added, but the plenum must provide a political recommendation.

Bulgaria: BSP's Koychev Comments on Economy, Plenum

AU0905110896 Sofia 24 CHASA in Bulgarian 9 May 96 p 12

[Interview with Nikola Koychev, BSP deputy and chairman of the Parliamentary Economics Commission, by Iva Petroni; place and date not given: "As a Party, the BSP Cannot Close Down Firms"]

[FBIS Translated Text] [Petroni] Mr. Koychev, have you prepared the report for the forthcoming BSP [Bulgarian Socialist Party] plenum? How did you manage in two nights?

[Koychev] I am an old party bureaucrat. My report is in my head and it will be submitted in time, and not at the expense of quality. I have had long experience of these things; for five years now people have been talking about a structural reform, but I am adding components and my own ideas about it.

[Petroni] I have heard the following statement: "What the Ministry of Economic Development has failed to accomplish in 18 months, Koychev has to do in two nights."

[Koychev] No, this is not so. In fact, the Minister of Economic Development was set up to conduct a global macroeconomic policy. I have been waiting for about a year for it to come out with something like an economic strategy, but nothing has emerged. They do have a program for the period to 1998, but in my view Bulgaria must have its own economic development goal, that should be defined by some kind of parameters (and not in the form of orders from above).

[Petroni] Some kind of planned approach....

[Koychev] Not that, but a strategy, or we might call it a conceptual approach, an idea about what Bulgaria will represent in the future, what kind of economic Bulgaria we are striving for, and what steps and stages are be defined for reaching this goal.

We have declared that Bulgaria will be a social, market economy state with an appropriate economic structure, but no one has noted down these steps even in rough form, nor stated their content and the time scale in which they will evolve.

This is why we decided at the beginning of the year to propose that the BSP Supreme Council hold a thematic plenum on a political concept for the structural reform.

In Bulgaria, the concept of structural reform has been bandied about a lot, in vernacular, political, and documentary languages, but at the same time I have yet to encounter any more or less complete and meaningful definition of this concept.

[Petroni] In your opinion, what should be the main directions?

[Koychev] The formulations will be in the form of political recommendations, not imperative regulations. They will be like a political norm for how the government bodies that we have appointed are to behave.

[Petroni] Will this also be the position that you will defend?

[Koychev] It is my personal position. Until recently, I formed my view in silence. I publicize it now because other people whom I respect and who cannot be accused of conservatism, planning dogmatism, and so forth, are already thinking in the same way, independently of me.

[Petroni] As far as I know, you have differences with the Council of Ministers.

[Koychev] A difference does not meet opposition. The issue concerns the kind of plenum that we will hold on Sunday. Originally, it was to be on the subject of the day—the company insolvencies. I agree, this does form part of the structural reform, and no one denies this. The liquidations will form part of my own concept. However, at present companies are being liquidated in the absence of this concept.

For example, how can you define light industry as a priority sector for the state's development, yet at the same

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

time close down companies precisely in this sector? We cannot evade this difficult topic. Accordingly, it is not a conflict, but rather a difference of view.

[Petroni] What sectors should be developed?

[Koychev] Ah, things are very complicated, and we will not determine this at the plenum, but merely make a political recommendation. We will approach the problem primarily from the viewpoint of the actual situation in Bulgaria at the moment.

[Petroni] Some newspapers have reported that you will decide which banks to close down.

[Koychev] This is also a limited interpretation of the plenum. True, we cannot evade the burning problem of the insolvencies. However, there is no truth in the reports that we will make a decision on closures and adopt a specific list. Nonetheless, we are a party, and we will make a political analysis, draw political conclusions, and adopt political decisions. We have competent bodies that must make the actual decisions on the basis of specific information and professional criteria.

Bulgaria: KNSB Leader Petkov Foresees Cabinet Fall

AU0805125996 Sofia DEMOKRATSIYA in Bulgarian 8 May 96 p 7

[Interview with KNSB leader Krustyo Petkov by G. Landzhov; place and date not given: "Another Myth Regarding Incorruptibility of Narrow Circle That Rules Bulgaria Disappears Together With Nachev"]

[FBIS Translated Excerpt] [Landzhov] Professor Petkov, in a programmatic article on Monday in their official organ, the rulers again began to play the card of populism, promising that the reform will begin now and that policy will change. Do you believe this?

[Petkov] Videnov's political philosophy was and remains "we, i.e., the Bulgarian Socialist Party [BSP] and I, against all the rest." Consistently, step by step, he succeeded in implementing this policy from the very first day of his rule. Naturally, he entered into a confrontation first with the opposition, and then with the trade unions, the president, the magistrates, the bankers, the "wealthy lords"—with practically everyone. A new escalation emerged at the 1 May rally. His speech can only be described as hysterical and confrontational. However, now there is a completely new situation. I am talking about the crisis, as the prime minister likes to call the economic and financial catastrophe. He is speaking about it as if it was something strange that fell from the sky, or a natural disaster that came out of the blue. Very skillfully, he is already seeking solidarity and support against the new enemy. This is nothing other than evading responsibility. This actually is the last chance for Videnov, his Komsomol team, and the advisers who work in the government. If we and all the people do not unmask this maneuver, they will take advantage of the opportunity to remain in power a few more months, and perhaps even a year or two. This, indeed, will be a catastrophe for the state. Precisely here is where the great alarm and question emerge—should we calmly watch this destructive process? [passage omitted]

[Landzhov] How do you think the voters will react to Videnov's May Day speech?

[Petkov] The appeal regarding the solidarity against the crisis will remain hanging in the air. It has been composed by people and addressed by a person who are detached from reality. Look at what is happening recently. We are flooded by accountability-election meetings. They are attended by people directly linked to the current government, mostly moved by a fanatic confidence in the BSP cause. However, the very same people ever more often are asking themselves the alarming question of how it is possible to live under conditions of their own party's rule. The opposition against Videnov within the BSP is rising, organizing itself, and consolidating. They are in the most difficult situation because it is unknown whether they will succeed in imposing a change, including the replacement of the prime minister. It is precisely those processes, which cannot be observed at plenums and demonstrative political-claqueur events, that will provide the greatest surprise. [passage omitted]

[Landzhov] Is it not absurd that Videnov declared war on the "wealth lords," when it is well known that they include the "Orion" circle of his friends and all those who laundered the party's money?

[Petkov] An all-out war is being waged against the private sector. Videnov came to power with the assistance of the groups, and now he cannot collect so to speak even a 1-percent profit from them. Those people will resist him because they have a lot to lose. Videnov's position is unscrupulous and fanatical. He addresses those who have nothing. They are asked to make further sacrifices in order to save the state. It is well known what you could take from those who go barefoot. Videnov relies only on fanaticism. However, his support is getting ever narrower with an increasingly separate, narrow, party basis. For the majority of Bulgarians the state is a stepmother and they will not sacrifice themselves for it.

[Landzhov] Finally, I would like to ask you as a political observer rather than as trade union leader, how do you assess the replacement of the interior minister?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Petkov] Like the case of Granitski [Bulgarian Television director], the Nachev case goes far beyond the scope of the personal. The most important thing is what will happen after Nachev is forced to go, rather than leaving voluntarily, and whether the people, and most of all the BSP members, will grasp the scope of the moral decline of those who are ruling the country, after they received the confidence of the people. Another myth regarding the incorruptibility of the narrow circle that rules Bulgaria is disappearing.

Bulgaria: DPS Leaders Said Preparing To 'Topple' Dogan

AU0605153796 Sofia 168 CHASA in Bulgarian 6-12 May 96 p 11

[Article by Milen Todorov: "Dogan To Be Toppled After Primaries"]

[FBIS Translated Text] People in the Movement for Rights and Freedoms [DPS] are concocting a new plan for toppling Ahmed Dogan from the DPS leadership.

During the visit by Falcon [Dogan's nickname] to Turkey, he was given to understand that Zhelev must remain president. Dogan's enemies immediately decided to utilize the situation and compromise their leader.

Those dissatisfied with the present DPS leadership began to work for Zhelev's defeat in the presidential elections, possibly already at the primaries. Afterward, they would accuse their leader of the fiasco. The goal is to facilitate Petur Stoyanov's victory, something that would deprive Dogan of his lobby in Turkey and make his removal easier.

An indication of all this can be seen in the words of Guner Tahir, who said that the DPS cannot force its voters to vote for Zhelev.

Tahir said that only the older DPS supporters prefer Zhelev, because they are used to him. However, the younger supporters prefer Petur Stoyanov, and we cannot force them to vote for Zhelev, Tahir said.

The DPS still does not have an official position as to whom they will support at the presidential primaries. The DPS Central Council will decide on 11 May on whom the movement will support. The same forum will also determine the date of the DPS National Conference. It only is at the conference that the DPS leadership can be replaced.

We will demand that the conference is convened after the presidential primaries, one of the DPS deputy chairmen said. Then Dogan will be most vulnerable and it will be easy to topple him, he clarified.

However, all this will be possible only if Petur Stoyanov wins the primaries. In order to facilitate this, DPS envoys are already trying to convince the voters to vote against Zhelev. Naturally, this is being done without Dogan's knowledge.

Osman Oktay will most probably join the upcoming coup. Reportedly, he is greatly alarmed by the current unstable situation. Oktay is afraid that he could share the fate of Kasim Dal, who, from being Dogan's closest friend and deputy, turned into an insignificant figure. In order to save himself from such a fate, the current DPS organizational secretary has promised to cooperate in toppling the DPS current leader and preparing Zhelev's defeat in the presidential primaries.

Bulgaria: DPS Likely To Sit on Fence in Primaries

AU0705134496 Sofia STANDART NEWS in Bulgarian 7 May 96 p 2

[Unattributed report: "DPS Will Play It Safe in the Primaries"]

[FBIS Translated Text] The DPS [Movement for Rights and Freedoms] will not venture to support outright either of the two candidates in the primaries, observers believe. A meeting of the DPS Central Council on Saturday 11 May is likely to adopt a decision on "voting according to conscience." Ahmed Dogan will not venture to make a political demonstration of overtly supporting one of the two candidates, which would provide the grounds for dissension within the DPS, because the alternative structure of "young bloods" may boycott the "Falcon's" choice of pretender. On the other hand, Dogan would not risk being left in the cold in the future parliamentary disposition of forces by betting now on a losing card.

A greater problem is whether the DPS will succeed in rousing its electors at all, the participants in the forthcoming vote fear. Forecasters say that the DPS votes will be split between Zhelev and Stoyanov, with the president winning about 60 percent. Despite the fact that SDS leader Ivan Kostov lost his temper and said that he will not tolerate another betrayal by the DPS, he will have no other choice than to count on the participation of Dogan's electorate. The other move, which the SDS does not favor at present, is to reach an arrangement with the Bulgarian Socialist Party [BSP] for the formula of Petur Stoyanov as president and Georgi Pirinski as prime minister.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Bulgaria: DPS Mobilizes Muslims for Mass Privatization

AU0805124296 Sofia DUMA in Bulgarian 8 May 96 p 8

[Article by Zhivka Angelova: "Ethically Based Funds Are Nonetheless Being Prepared"]

[FBIS Translated Text] The Parliamentary Group of the Movement for Rights and Freedoms [DPS] was the first group whose members bought themselves voucher books at the very start of the mass privatization process. According to Ahmed Dogan, this was meant to provide an example to the DPS electorate. On the pages of the DPS newspaper, Yudjel Atilla and Gyulbie Receb tried to explain in understandable words to their people that, despite their poverty, they should take part in the denationalization. Over 100 DPS emissaries began a door-to-door campaign in the regions with a mixed population to explain what privatization means.

The World Islamic League and certain circles in Turkey displayed maternal concern for the Muslims and Bulgarian Mohammedans and decided to sponsor them in purchasing their voucher books. Imams started handing out cash into the hands of those wishing to buy voucher books. Later, the benefactors tried to inform the people where they can provide themselves with investment voucher books. Mass meetings in the villages aimed to stimulate the people. DPS deputies appeared in their own districts to campaign for people to participate in the privatization.

According to DPS figures, about 260,000 Bulgarian emigrants in Turkey will want to take part in the mass privatization. According to the Privatization Act, all persons over 18 years of age with a Bulgarian residence may take part. When the text of the act was being debated in the National Assembly, the most unhappy deputies were the ones from the DPS. Bulgarian citizens have created this wealth, Guner Tahir said, and now you want us to disregard them.

"Take part in privatization to get back what you created!" With this slogan the DPS party newspaper urges its readers to take part in the denationalization.

"It would be a gross mistake if the party remained on the sidelines, cutting itself off from the most important economic process taking place in the country. It would be tantamount to betraying the economic interests of its own sympathizers if the DPS fails to proffer them its hand, if it abandons them to drift about in the chaos." These were the words spoken by Ahmed Dogan after one of the meetings of the DPS Central Council. According to the DPS leader, the party structure can only organize the fund, but the fund itself should not be a party one.

In any event, one has to establish a balance of interest in the fund, Dogan believes. If we have really decided to make a market economy, he said, interest will dictate the formation of the fund.

The firms that we will target will be decided by the electorate, Dogan added. Naturally, they will have to have financially acceptable balance sheets. The food and tobacco industries are of interest to us, he added.

A considerable proportion of the Bulgarian Turks who departed for the other side of the Bosphorus will be able to use their Bulgarian passports to exercise their rights in Bulgaria. The law permits them to be represented by their relatives who are resident in Bulgaria. According to unofficial figures, there are between 350,000 and 450,000 Bulgarian emigrants in Turkey. According to the census taken at the end of 1992, there are 822,253 Turks in Bulgaria.

In reality, the DPS representative can collect the vouchers of about 400,000 to 500,000 Bulgarian Turks and use them to take part in the privatization of almost 1,200 companies throughout the country. During his campaign in Kurdzhali in the interval between the two rounds of the mayoral elections, Dogan declared that the DPS's main job after the elections was to combine in one the economic resources of the municipalities in which it had won in the elections.

So far, two funds have been officially announced that will rely on receiving the vouchers of the Muslims, Bulgarian Mohammedans [Pomaks], and Romanies. The first fund is called Total Invest. It was founded in Razlog and aims to take part in the privatization of six companies in the municipalities of Razlog, Bansko, Belitsa, and Yakoruda. The fund's founders include the Aval Finance and Investment Group, Akal Mustaklu, a former National Assembly deputy and DPS district coordinator, and a number of other individuals. Total Invest intends to invest in the Razlog companies Pirinkhart AD [stock company], Djidjeritsa EOOD [sole proprietorship with limited liability], and Mekhomiya EOOD, the woodworking machinery company in Yakoruda, the plastics plant in Belitsa, and the Izgrev Company in Bansko, all of which are included in the list of companies earmarked for mass privatization. The fund's founders disseminated an appeal to the residents of the four municipalities calling upon them to invest their vouchers in the fund.

The headquarters of the second investment fund, called Rodopi, is located in Plovdiv. One of its founders is Ashim Asan, the former trustee of the mosque in the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

time of Nedim Gendzhev. The fund's representatives are going from door to door to explain its strategy to the populace. They do not hide the fact that they are mainly relying on the investment vouchers of the Muslims, Bulgarian Mohammedans, and Romanies. Ashim Asan personally toured towns and villages in regions with a mixed population to urge his people to support the cause. According to Asan, the fund already has promises for over 20,000 voucher books.

The ethnic funds threaten our national security, Anatoliy Velichkov, a deputy of the Union of Democratic Forces and a representative of the Internal Macedonian Revolutionary Movement-Union of Macedonian Societies, said some time ago. The Privatization Funds Act does not prohibit the establishment of a fund on an ethnic basis. Clearly, the DPS leaders are acting on the principle that everything that is not prohibited is allowed.

They will definitely be the winners from this, while the electorate will get what Allah sees fit to leave them.

Bulgaria: Defense Minister Explains Privatization Fund

AU0705154996 Sofia BULGARSKA ARMIYA in Bulgarian 6 May 96 p 5

[Interview with Bulgarian Defense Minister Dimitur Pavlov by Spirdon Spirdonov; place and date not given: "The Fund Expects To Gather an Initial Capital of 1 Billion Leva"]

[FBIS Translated Excerpt] [Spirdonov] Minister Pavlov, the Securities and Fund Exchanges Commission has already given the green light to the formation of the Army Privatization Fund. You are known to be one of the founders. What led you to take this step?

[Pavlov] All the founders were convinced that the process of denationalization of publicly owned property is one of the main economic mechanisms of the market economy, and that it will inevitably contribute to the country's economic revival. At the same time, we assessed that the present unclear economic situation, the tempting offers from the swarms of groups and funds, and the unstable financial system are major hindrances to an individual finding his way, and conceal immense risks for the individual participant in privatization. [passage omitted]

[Spirdonov] How did you reach the idea of setting up an independent fund?

[Pavlov] We had three possibilities. The first was not to engage in the privatization, and leave the military servicemen to make up their own minds. The second was to sift through the offers that we have already mentioned and recommend the best ones. The third alternative was to take independent action and form a privatization fund of commissioned officers, NCO's, and other ranks, with the backing of the Defense Ministry and General Staff leaderships. We chose the third alternative, because it provides a real opportunity to protect the interests of the servicemen and their families, including reserve officers and sergeants, war veterans, and all the citizens who choose our fund.

[Spirdonov] However, the social aspect is not the only thing.

[Pavlov] From the very beginning, we were convinced of the value of the idea, and we continue to defend the position that our privatization fund will achieve the expected economic results by investing in those firms that manufacture products for the Bulgarian Army. The acquisition of property holdings in these enterprises offers good opportunities to create a closed cycle, including production, providing manpower, guaranteeing state orders for the army, and ensuring product quality and the timely settlement of payments.

[Spirdonov] What sectors are most strongly represented in the fund's investment strategy?

[Pavlov] Our interest is mainly concentrated on the clothing, textile, leather, footwear, canning, and knitwear sectors. Tourism facilities, the woodworking industry, electronics, and electrical engineering also form a significant part of our investment portfolio. The fund will not limit its activities on territorial principles. It will invest in enterprises located throughout the country. [passage omitted]

[Spirdonov] When do you expect the first dividend distribution to take place?

[Pavlov] The 1998 financial year looks like the earliest time for the payment of dividends. However, the fund's financial state may allow an earlier distribution of dividends. Neverthless, the fund's founders advise against this, to safeguard the fund's strategic interests. The profits from the enterprises' operations should be reinvested in them to ensure their stabilization. Naturally, this proposed time scale will not restrict the founders and the other shareholders from exercising their right to propose an earlier distribution of dividends, if the fund's financial state permits this.

[Spirdonov] You probably took the risks into account before engaging in this activity?

[Pavlov] We even classified the risks. We have an appropriate methodology for measuring and reducing the risks. In the initial period, for example, we plan to increase the relative proportion of investments in state securities, which provide stable income at minimum

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

risk. As the process develops, our efforts will be directed toward acquiring the biggest possible packets of shares in firms that form part of the fund's investment strategy. You should bear in mind that the fund will employ many well-trained experts who know how to manage the process and can foresee the problems.

[Spirdonov] You mentioned complete openness and transparency in your work. What do you mean by this?

[Pavlov] The work of the Defense Ministry is open to the mass media now, and the same will be true of the privatization fund. The fund will publish announcements about the reports on its work, giving the place, manner, and time for people to familiarize themselves with the reports, in at least one central newspaper within seven days of the submission of the reports to the Securities and Fund Exchanges Commission. [passage omitted]

[Spirdonov] Do you regard the amount and nature of the fund's capital as forming part of the guarantees for investors?

[Pavlov] We have declared our intention to gather in a capital of 900 million leva. Forecasts indicate that the fund can implement its investment strategy with a capital of 500 million leva. The nominal value of the shares is 1,000 leva. Every share grants the right to vote at the shareholders' annual general meeting, the right to receive a dividend, and the right to a liquidation share commensurate with the nominal value of the shares held. The fund will not issue any other form of shares, including preferential ones.

[Spirdonov] Have you already defined your investment tactics?

[Pavlov] The declared initial capital permits at least 70 percent of the among to be invested in firms that are directly included in the fund's investment strategy. No more than 30 percent of the fund's capital will be invested elsewhere.

Bulgaria: Politicians Blamed for Plight of Arms Industry

AU0305110196 Sofia STANDART NEWS in Bulgarian 3 May 96 p 16

[Article by Todor Varchev: "Incompetent Politicians Finally Destroyed Arms Industry"]

[FBIS Translated Excerpt] For six years now, our arms industry has been sinking to the bottom. This is a result of the willing or unwilling cooperation of all cabinets since 10 November 1989. Our politicians 'id everything possible and impossible to finally destroy our specialized production enterprises and to discredit them in the eyes of the world.

We lost our traditional markets in the Middle East, Africa, and Latin America, and now we are struggling to return there. During the six wasted years, the Americans, French, Russians, and English did not waste their time and kicked us out of everywhere. Now they are the masters where we used to be the basic suppliers of arms, armed vehicles, artillery systems, and communications equipment.

From $800 million in 1988, our specialized industry export dropped to $160 million in 1995. In the good years for this branch before 10 November 1989, it provided 20 percent of our gross national product. The year 1984, when our arms industry sold abroad weapons and equipment to the tune of $1.2 billion is only a memory. Now, according to financial experts, the arms industry contributes no more than 6 percent of the budget revenues.

The most lethal period for the arms industry was that of 1990-93. The total curbing of the specialized industry budget and the trade situation that was so unfavorable for us after the Gulf War were clear signs that we would not overcome the crisis soon. The "Albanian," "Macedonian [The Former Yugoslav Republic of Macedonia—FYROM]," and "Yemenite" arms affairs totally ruined the hopes of the specialized production enterprises and merchants. [passage omitted]

The lack of orders on the part of foreign customers and the minimal budget resources for rearming our Army placed an unattractive enigma before military enterprises. A new drop in their production was marked since the beginning of the year. The situation has reached the point when Arsenal, with 13,000 employees, has to close in order to avoid further losses. The arms enterprise in Sopot also faces closure on the eve of its 60th anniversary. [passage omitted]

The only salvation for our military enterprises is in turning them into independent shareholders' associations and allowing them to have their own trade centers, experts claim. The creation of a governmental concept of production in those enterprises can brook no delay. In addition, our military industry must be immediately modernized, the experts claim categorically.

Bulgaria: Industry Minister Accused of Ruining Arms Trade

AU0405150196 Sofia SEGA in Bulgarian 2-8 May 96 No 17, pp 30-32

[Article by Trayana Atanasova: "Arms Workers Have Earmarked Day 'X'; Industry Minister's Advanced

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ideas Have Led the Military Industry Into a State of Collapse"]

[FBIS Translated Text] "The situation in Kazanluk and Sopot is no joking matter because the people there are armed and no one knows what may happen." However, this warning from an experienced arms expert evidently failed to reach the ears of Industry Minister Kliment Vuchev. The entire military-industrial complex [MIC] is in a state of collapse. Not one of the plants is working. The workers have earmarked 13 May as Day "X," when a big strike is scheduled to begin. However, this strike is only a first warning. It is very likely that the general discontent will explode during the summer.

In Deep Trouble

A rash of cutting-edge ideas to save the Arsenal plant appeared last week. According to Arsenal Director Krum Khristov, 7,000 workers are to start a one-month paid vacation on 1 May. The wage savings will be invested in production and the plant will be put on its feet by the fall.

According to very rough calculations, the plant can save 120 million leva in wages and 50 million leva in electricity and water costs. This amount is insignificant for a plant like Arsenal.

"Why not put the stockpiled products into the mass privatization process," the workers suggested. "On the black market, a Kalashnikov fetches 25,000 leva, and weapons worth about $60 million are stocked in our warehouses. The money will be enough to get us out of the crisis." The director, however, did not appreciate the joke and irritably started explaining why this could not be done.

"The State Fund for Reconstruction and Development will grant a one-year moratorium on a $6 million loan to Arsenal, while the Interior and Defense Ministries will purchase weapons from Arsenal and pay in advance," Industry Minister Kliment Vuchev promised. His colleagues tactfully remained silent about the fact that they have not been consulted about this idea. At the start of the year, the government decided to purchase $2 million in products from Arsenal to top up the state reserves, but this did not materialize.

The workers at Sopot military repair plants [VMZ Sopot]—the leading company in the MIC in 1994—will also be sent home on compulsory leave. At the moment, the Sopot plants owe more money than any other plants in the sector. Their receipts for the first quarter of 1996 were barely 11 million leva, as compared with the 26 million leva planned for. The plants' warehouses contain goods worth $80 million, the majority of which are obsolete and unsalable.

A year ago, Kliment Vuchev dismissed Angel Piskov, the director of VMZ Sopot, on grounds of poor management. At that time, the plant had repaid all its loans and had contracts on its books. In September 1995, Iliya Gunchev, the head of Metalchim Holdings, personally took charge of the plant and almost brought it to a complete stop. Last year, Iliya Gunchev fired the director of one of the subsidiaries, the Elovitsa Plant in Gabrovo. This was one of the few plants that had no loans outstanding and had investments valued at $2 million. Gunchev appointed one of his close friends to the vacant position. At present, this plant has immense debts, while its products lie unsold in its warehouses.

Workers at the Dunarit Works in Ruse have also declared their readiness to strike. A few months ago, the economic police discovered a huge fictitious deal to export weapons from Arsenal to Serbia, for which the Ruse firm served merely as a smokescreen. Apart from this, it has mainly been manufacturing trainer shoes and dishwashers.

The Rescuers

"Everyone must save his own skin," Industry Minister Vuchev retorted at his meeting with the arms plant chiefs last week. "I appointed you to manage these firms, not to bother me with your problems," he added.

"We cannot put things right without the government's intervention," the directors replied unhappily. The mutual connections between the manufacturers of special products hinders them from developing independently. What is needed is a total restructuring of the military-industrial complex. The idea has yet again appeared of closing down Metalchim Holdings, an empire of 50 military plants. Further plans envision closing down the Electron Consortium, the Interdepartmental Council on the MIC, and the special department in the Industry Ministry. The aim is to concentrate the administration of the MIC in a single organization and at the same time remove the persons who have led the sector into disaster. The project was proposed as far back as during Reneta Indzhova's caretaker administration.

At the time, the fear of concentrating great economic power in a single place, where it might be used for political purposes, gained the upper hand, and Indzhova shunned taking such radical measures. Misgivings about his ability to control such a structure are also holding back Zhan Videnov.

Military production is one of the sectors in which a ruling caste has been established for years. No one enters the branch by accident and no one leaves it voluntarily. At the moment, three people manage the military industry. Industry Minister Kliment Vuchev exercises

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

ownership rights over the manufacturing plants. Metalchim chief Iliya Gunchev directly manages 50 of these plants, and Ivan Kolev, deputy chairman of the Interdepartmental Council on the MIC, issues the permits for arms deals. The production has stalled, and the trade has sharply declined. No private firm can intervene, although the state monopoly over the arms trade has been abolished. Under the Law on Dual-Use Products, only companies that are more than 50-percent Bulgarian owned, whether they are state-owned or private, are permitted to trade in special products. However, the licenses are issued by the Interdepartmental Council on the MIC, which is chaired by Zhan Videnov.

Two big economic groups have declared their readiness to engage in the import and export of special products. However, in view of the fact that the prime minister is openly hostile toward them, neither of them is likely to win his trust.

At the moment, full arms trading licenses are held by Kintex, Elmet Engineering, and Armimex. The prime minister promised to issue full licenses to Arsenal and VMZ-Sopot, but has yet to fulfill his promise.

The notion is that the trading firms will divide up the foreign markets on a "friendly" basis. Kintex will mainly work with Arsenal and will defend its positions in the Arab market. It is very likely that it will also take over the vacated Latin American market, in which Teraton previously held the strongest position.

Armimex and the Defense Ministry will service Russian and European clients. They will work mainly with VMS Sopot and Beta in Cherven Bryag.

Elmet Engineering will continue to eke out a living on small orders.

Teraton has no chance of regaining its arms trading license as long as Mladen Mutafchiyski remains in charge.

"The arms trade is like love: Once trust is lost, it is hard to win it back," Ivan Kolev explained.

[The article is accompanied by a 3x2-inch bar chart, entitled "Arms Exports from Bulgaria," that gives the following values for annual exports: 1986, $800 million; 1993, $95 million; 1994, $210 million; and 1995, $160 million.]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Czech Republic: Holan: CR To Join NATO in 1997-2000 Period

LD0805125096 Prague Radiozurnal Radio Network in Czech 1200 GMT 8 May 96

[FBIS Translated Text] [Czech] Defense Minister Vilem Holan, who spoke at the Western European Union [WEU] meeting in Birmingham, has urged the superpowers to exert more pressure on Bosnia and to quickly and effectively end the Implementation Force [IFOR] mission. The mission, which is under NATO command, is scheduled to end in December of this year.

Holan said that the Czech Republic [CR] will become a NATO member in the period between 1997 and 2000. The Czech Republic is seriously interested in its envoys participating in so-called WEU planning cells [planovaci bunky].

Czech Republic: Tax Cuts Proposed Before Elections

96CH0079B Prague PRAGUE POST in English 13-19 Mar 96 p 3

[Article by Kathleen Knox: "Parties Offer Enticements To Lure Voters"]

[FBIS Transcribed Text] Tax cuts, fatter pensions, earlier retirement: When talk of these promises is in the air, you know elections can't be far off.

With Czechs going to the ballot box in less than three months, political parties are queuing up to offer voters a variety of tempting treats designed to cater to even the most demanding electoral palate. And the menu suggests the parties believe in an electoral version of the old adage: The way to a voter's heart is through his wallet.

First in line was the Labor Ministry-initiated pension hike, which, like a precision-timed explosive, is set to kick in at the moment of maximum effect. Put forward last September, the 13 percent increase for the Czech Republic's estimated 2.1 million pensioners takes effect in April, just weeks before the polling stations open on May 31.

Though the hike was criticized at the time by Czech Social Democratic Party (CSSD) chairman Milos Zeman, his opposition Social Democrats in January proved that they are not shy about wooing older voters either, when they proposed lowering the retirement age. According to a new pension law that took effect Jan. 1, Czechs gradually will be retiring later and later until 2007, when men will retire at 62 and women between 57 and 61.

The retirement election sweetener proved riskier for the coalition Christian Democratic Union-Czech People's Party (KDU-CSL), however. In early February, Chairman Josef Lux incurred the wrath of his party's coalition partner, the Civic Democratic Party (ODS), when he came out in support of the Social Democrats' retirement proposal. ODS deputy Jiri Honajzer reportedly called on the People's Party to leave the coalition if it continued to support the proposal.

In January, the Civic Democratic Alliance (ODA), another party in the ruling coalition, came up with a proposal to slash up to 7 percent off 1997 income-tax rates. This was slammed at the time by the ODS—which came up with a more moderate tax-cut proposal of its own one month later. The cabinet approved the ODS proposal Feb. 28.

"It doesn't surprise me at all that there's talk of tax cuts before the elections," said Vladimir Koronthaly, a People's Party MP. "It's typical for any democracy."

Koronthaly said it's natural that parties are increasingly offering sweeteners. "When you're in prison, it's enough that the person next to you doesn't behave like a guard. Once you're outside, you have to offer him something to convince him to go your way."

Alexandr Mitrofanov, a political commentator for the daily PRAVO, said there is still a greater willingness on the part of Czech voters to believe in broader "ideologized" promises, such as those used by the ODS in the 1992 election campaign.

"That there will be a huge transformation from the old regime to the new; that we all have to tighten our belts and then we'll be better off—that worked well in its time, and still does today for certain social groups like the young and entrepreneurs. But it's having less of an effect on other people who aren't doing so well," Mitrofanov said, hence the more concrete promises.

Gerta Mazalova, an independent deputy since she resigned from the Social Democrats in late February, said voters are becoming more sophisticated, and now know an empty promise when they hear one.

"Voters have to know that there will always be (softer), more socially oriented policies just before the elections, and that it will tighten up again—really tighten up—afterward," she said. "People these days have the opportunity to...go to committee meetings and check on their deputies' performances. I think today's voter is wise, and won't jump at some cheap offerings."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovakia: Daily Views 'Sinister' Holbrooke Statements

AU0805152396 Bratislava SLOVENSKA REPUBLIKA in Slovak 6 May 96 pp 8-9

[Commentary by Dusan Slobodnik: "A False Card Called 'a Lack of Media Freedom': U.S. Diplomat Richard Holbrooke Questions the Trianon Treaty!"]

[FBIS Translated Text] The opposition bloc has abused this topic endlessly. It is no longer a paradox that questions of freedom of the press, freedom of the media, and freedom of expression are presented and—above all, abroad—to a great degree manipulated and tendentiously adjusted precisely by the opposition. This means that the presentation is manipulated by people who do not want to accept the 1994 election results and who systematically endeavor to play on this very sensitive string of public opinion. The activity of the disinformers grows proportionally to the good economic results achieved by Slovakia under the government of Vladimir Meciar.

First, the actual status quo in Slovakia, which is not acknowledged by those who want to spread untruths about Slovakia: At least three-quarters of the dailies and weeklies dealing with political issues are controlled by the opposition and express, almost without exception, a negative stance regarding the work of the government and its representatives. This is taking place without any restrictions or so much as an indication of penalization.

A lack of freedom of media then, as far as the general concept goes, does not exist here. This is well known to the readers, the reporters, and the politicians. When the latter two groups are caught with their pants down in Slovakia, they resort to the claim: The newspapers may be free, but the electronic media are not.

The Intentionally Crooked Mirror

O.K., let uss take the electronic media. First come the public corporations: Statistical data confirm that the ratio is at best (for the coalition) 60:40 in favor of the coalition. That is, when I include under the "heading" of coalition such absolutely indifferent news as the following: Minister X welcomed in Bratislava his counterpart from...(country Y) and they agreed on further cooperation. We have not forgotten that, under the temporary government in 1994, the ratio between the coalition (that is, the then government) and the opposition in the public service television and radio was 75:25 and, overall, was 80:20. The evidence is available at any time. I will only recall the victorious statement by Miklosko—"We have control of the media"—and the attempt to make the Council of the Slovak Republic for Radio and Television Broadcast (seven of the nine members were from the then coalition, and six votes sufficed to make a decision) a state body. Well, and at least one fact about the Saturday domestic political commentaries in 1994: Of the about 46 broadcast commentaries, more than three-quarters were provided by Vladimir Stefko (then director general of Slovak Radio and currently President Kovac's adviser—ed. note) to journalists like Lesko, Samel, Gembicky, Fule, and others, whose political stands have been quite apparent.

If we include private media in the "game" (I am leaving out Radio Free Europe and its demonstrable tendentiality), there are more than 25 private radio stations. Whoever listens to Twist, for instance, or Fun or the numerous other radio stations knows what their orientation is. So, even without Free Europe, it is, on the whole, at least 50:50 and perhaps even 40:60 in favor of the opposition.

So, where is the lack of media freedom in Slovakia that is so often referred to? It is simply a fabrication for use abroad.

The Remarkable "Nonpartisanship" of the President

The opposition bloc is building on this disinformation. The president expressed his concerns over media freedom in Slovakia several times last year. In an answer to W. Orme, he sang the praises of the free radio broadcast in the Moravcik era (and Stefko from the radio, who submitted the relevant passage of the answer). In the Austrian weekly PROFIL, he wrote something last year that is certainly not worthy of the allegedly nonpartisan president: "The worst is that the opposition has no access to public service media." (Uncompromisingly: It has no access, not a single report on its activities can get in there! Does one need further proof of the biased nature of President Kovac's views? They can be found!)

When the anti-Slovak campaign, initiated by the transfer of Michal Kovac Jr. to Austria, was peaking (whoever believes in fate may believe that it was an accident that it happened on 31 August, the very day the Municipal Office of the Prosecutor in Bratislava expressed its disagreement with questioning Michal Kovac Jr. at the FRG Embassy in Bratislava) in November 1995, three identical interviews with Michal Kovac were published in BASLER NACHRICHTEN, BERNER NACHRICHTEN, and SALZBURGER NACHRICHTEN. Kovac granted the interview to S. Israel, who had previously published several tendentious materials on Slovakia (he completely distorted the language law, for instance in SALZBURGER NACHRICHTEN). Incidentally, this reporter subsequently, at the request of Michal Kovac, corrected a

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

number of claims from the interview. It was explained away—approximately 10 days after publication—as mistranslation. Was it an accident?

Namely, Michal Kovac said in this interview that we fear in Slovakia for the freedom of expression. I will not even go into an analysis of this statement, which—incidentally, through another "accident"—coincided with two other attacks: The first was the resolution on the lack of freedom at the congress of the Association of European Journalists (AEJ) in La Valente, which was adopted in the presence of NARODNA OBRODA reporter J. Alner.

AEJ representatives visited here recently and defended their resolution according to a prepared plan, although they could (had they wanted, and had they received objective material) have determined on the spot that there is no censorship or persecution of journalists for their views and that everyone, without restrictions, can apply for a license to publish periodicals, and so forth.

Activities of J. Moravcik and L. Nagy

The other concurrent action (I cannot rid myself of the impression that it was supposed to be the pinnacle of attempts to change the situation in the "well-known" March manner) was the resolution of the European Union, which was inspired directly by J. Moravcik and L. Nagy at the meeting of liberals in Rijeka.

The resolution originally contained two items that were presented at the joint session of the committees of the European Union and the National Council of the Slovak Republic [NR SR] in Bratislava on 22-24 November 1995 on the alleged intention to expel the Democratic Union deputies from the parliament and on the state language law (the first was inspired by J. Moravcik and the other by L. Nagy). The second item was left out by the EU itself. It was a vote on the language law, and the Party of the Democratic Left and the Democratic Union deputies (with the exception of Messrs. Ftacnik and Moravcik) voted in favor, so it came out that not only the coalition, as L. Nagy and some others hoped, voted in favor of the law. I emphasize that 104 votes were in favor.

At the aforementioned meeting between EU and NR SR deputies, NR SR Chairman Ivan Gasparovic unequivocally refuted the claim that an expulsion of the Democratic Union deputies was planned by the NA SR. Hence the resolution completely lost its meaning. The time bomb set for the government was disarmed.

On the other hand, an item that fits the anti-Slovak scenario remained in the resolution. Among the divergent intrigues conveyed abroad by the opposition, there is the following alternative: The government control over the media.

Let us break up this statement. However much I search, I can only come up with a possible reference to the composition of the television and radio council. At the same time, among the current nine members of the council, there is not a single member of the government coalition.

The influence of the council on the creation of political programs in the STV [Slovak Television], with all due respect for their work, is minimal. Moreover, the "government control," if this imprecise term is to be applied, also existed under the former government of Jozef Moravcik. So, even this bubble is simply naive.

Another thing also deserves attention. Because the authors of the statement on the lack of freedom of media in Slovakia lack arguments, they resort to the method of: After all, others also claim lack of media freedom in Slovakia. Thus, the Spaniards from the AEJ referred to the pseudo-reasons of the head of the Vienna research institute, or a certain correspondent from SME [Bratislava SME in Slovak] (20 April) refers to the [U.S.] Congress report and demarches.

Carousel of False Quotations

In short, if someone said it, it must be true, even if there is no tangible evidence. To correlate media freedom with the allegedly unfair placement of company ads is simply ridiculous. Media freedom means to freely and without any restrictions express and make accessible one's own views. Such surrogate arguments (advertisements) only confirm that the opposition lacks real arguments.

So far, the endeavors of our malefactors have reached their pinnacle in the statement of a certain Mrs. Kati Marton, originally from Hungary, who operates in the United States. She took the liberty of comparing the media situation in Slovakia with countries where journalists are jailed, and without a shred of evidence—without a single argument, but with the renowned Hungarian hostility toward Slovakia, which she has not lost even beyond the ocean. In this instance, even the chairman of the Slovak Syndicate of Journalists (SSN), J. Fule, had to protest, albeit with the usual "but." Incidentally, Mrs. Holbrooke-Marton "forgot" in her assessment of the media in Slovakia how more than 100 reporters were dismissed undemocratically two years ago (and she was still in Hungary at the time!) from the Hungarian state electronic media.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"Minor" Changes of the Border

Let us not forget other correlations involving Mrs. Marton. Her present husband, the former (and future?) U.S. diplomat, stated about a year ago that minor changes of the border could be implemented to settle the minority problems. This statement was immediately and with great pleasure and high hopes carried by all Hungarian papers (once they also enthusiastically accepted and then disappointedly backed off from a similar statement made and later retracted by French Prime Minister Balladur). When voices rose against it from the U.S. side, Holbrooke explained that they misunderstood his statement. That was the end of hopes of changing Trianon.

Nevertheless, the situation is not that simple. In a recent interview for the French NOUVEL OBSERVATEUR (4 April), Holbrooke said: "We are there (that is, in former Yugoslavia) to guarantee stability in one of the most explosive regions of the globe, in the south of Central Europe. In the region where the legacy of the Versailles (that is, Trianon—author's note) Treaty continues to bear devastating consequences." Among the centers of tension, then, he refers, among others, to the tensions between Hungary and Slovakia, and Hungary and Romania. This sounds sinister to my ear. One can only hope that Richard Holbrooke, who has a wife of Hungarian origin (I remember the lavish gifts the happy newlyweds received in Hungary), who, in turn, does not shrink from defaming Slovakia, will not push through what he has already indicated (but retracted later) and has now repeated—that is, an attempt, based on pseudofacts, to destabilize Central Europe by unrealistic endeavors to revise the Versailles and Trianon Treaties. Is it true that politics are not conducted according to the wishes of the wife?

So, this is the context of the slandering of Slovakia that is connected to the painting of a tendentious picture of the alleged lack of media freedom in Slovak.

Slovakia: Meciar Warns Against Speedy Enlargement of NATO

LD0805185796 Prague Radiozurnal Radio Network in Czech 1300 GMT 8 May 96

[FBIS Translated Text] Slovak Prime Minister Vladimir Meciar fears that a speedy enlargement of NATO without preliminary agreements or a framework agreement with Russia could result in a new line dividing the world and the emergence of a Russian-Sino-Arabic alliance.

In a conversation with foreign journalists, Meciar also stressed that the Slovak Government was interested in enlarging the alliance, but the interests of Europe as a whole had to be taken into account. At the same time, he declined to give a clear answer to the question of whether Slovakia would agree to deployment of nuclear weapons on its territory.

Slovakia: Article Asks If NATO Worthwhile Swap for Meciar

AU0805125496 Bratislava SLOVENSKA in Slovak 7 May 96 p 5

[Article by Juraj Pohronec: "Will We Sacrifice Meciar for NATO Membership?"]

[FBIS Translated Text] The issue of the country's entry into any kind of international community is one of the most exacting matters for domestic and foreign policy. In the main, at the beginning, careful consideration has to be given to the kind of advantages membership will bring us and to the commitments we will thus be taking on. International organizations, with the exception of charitable ones, are rigorously pragmatic. They weigh up carefully what a future member offers them and what it requires in return. Hence, we should also do the same...

NATO is, undoubtedly, an organization that pays heed to all of the details. It requires of its member countries that not only the politicians, but also the general public, go through a thorough opinion-forming process in which the population is familiarized with all of the important facts on whose basis it will be able to express its qualified point of view in a referendum.

It is logical that the decision on when to join something and under what circumstances can be made only after we decide whether to join at all, whether it is worth it to us, and, of course, whether our partners are interested in us. This is what they would do elsewhere. In our country, however, the issue at the center of the politicians' and the media's attention is whether we will join NATO in the first or only in the second wave. We are leaving consideration of the advantages and commitments until another time or to someone else.

In the midst of the grand contests over membership, we are monitoring meticulously who is nudging us in the ribs and when, who is tripping us up, or who is patting us enthusiastically on the shoulder instead of taking note of and weighing carefully who our friends and allies are, what we can offer them, what we will get from them, and, finally, how we are becoming detached from the others who have been left outside and willy-nilly have become second- or third-class states. This classification irritates those affected all the more because it is not made as a result of military-strategic studies (whose logic and criteria have to be accepted by everyone), but as a consequence of an assessment of political

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

development in which there are subjectivism and willful criteria galore.

In other words, it sounds from the current discussion as if it were possible to join NATO with an army equipped with catapults and toy guns as long as everything at home concerning democracy and the minorities is in order. In the case of Slovakia, this game is being extended into other, very original, places. Neither the system nor problems with transformation, but the prime minister—of a government that every time it has been reelected has declared its interest in admission and will fulfill resolutely the commitments that arise from this interest—is described as the obstacle to our entry into the integrative groupings.

Despite this meticulous monitoring of who has mentioned us among the first four candidates and who has mentioned only three actual candidates—Poland, the Czech Republic, and Hungary—another possible interpretation has, obviously, escaped commentators and our analysts at the Foreign Ministry. I will present it to them here:

Although my only strategic experience is with sand castles, even this is sufficient for me to judge that the admission of Poland, the Czech Republic, and Hungary into the organism of the alliance would be absolute nonsense. Of course, from NATO's point of view.

For me, it follows on from this that, if the politicians or commentators are talking about the admission of three states, they surely have in mind the present four Central European states. It only remains to find the answer to the question of where Slovakia is hidden. Well, then, my friends, in a partly reconstructed [pre-1918] Hungary! If, within the framework of the first stage of the restoration of Greater Hungary and, thus, the revision of the Trianon Treaty, we were to be integrated into Hungary, the wolf (our Hungarian neighbor) would be full and the sheep would be intact (the issue of the Hungarian minority would disappear from Slovakia's domestic political scene, and the Hungarians have always known how to deal with the Slovaks as an ethnic minority).

I am convinced that enough agitators will be found who, in the Western centers of power, will express the view that Slovak-Hungarian integration is the stroke that could get rid of several knotty problems immediately: the problem of the Hungarian minority, Slovak nationalism, gaining control over the strategically important highways and energy networks, and so on. Hungary, whose representatives, on the occasion of its major jubilee, are repeatedly describing their country as a bastion of European civilization, is prostituting itself as a guarantor for the success of the whole operation. If there is someone who does not know against whom it is necessary to protect European civilization, then let us tell him: against the Slavic and Balkan threat.

One conclusion follows on from this for me: We should proceed properly in due order. First, let us state what the admission fee will be and what kind of program they are offering us for it. Only then, let us consider whether, when, and in what company we will participate in the performance. If, by chance, they leave our name off the list again, let us finally ask if they have really left us off it or if we are hidden somewhere within this troika. If they have really left us out, everything is in order. Today, we do not suit them; we could be worthy tomorrow. If, however, they want to integrate us in two stages—first, into [pre-1918] Hungary and then, within the framework of [pre-1918] Hungary, into Europe—it would probably be necessary to raise a hue and cry. It would be necessary to ask the United Nations and the Council of Europe whether it is right to weave such an integrative scenario and, if this is already being done, then in accordance with which charter and in harmony with which human rights.

Only after such reflection will it become clear to us whether it is necessary to sacrifice one prime minister and whether it is worth it: the sacrifice and also the whole of NATO!

Slovakia: Commentary on Reasons for Western Dislike of Meciar

AU0805152096 Bratislava NOVA SMENA MLADYCH in Slovak 6 May 96 p 3

[Commentary by Miroslav Svicky: "Cheats and Paranoids"]

[FBIS Translated Text] One of the characteristic features of revolutionary periods in the history of mankind is that generally accepted social evaluations and judgments of such a period differ markedly from future views of the same period. Apparently, the present also belongs to such periods.

The generally accepted "Western" evaluation of the "Eastern" states is that they are socially and generally backward and that they must be taught how to arrange their society. Viewed from afar, the East appears stereotypically as a group of smaller or bigger dictatorships that can liberate themselves by accepting "Western" values and applying them internally. This is the view of the "Western," European and American, public, which, however, is largely the product of the mass media work of "Western" political and monetary leaders.

Why did the Committee for the Protection of Journalists [CPJ] in New York issue a statement, according to which we belong to the 10 countries in the world that

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

are the worst offenders against press freedom? After all, the "protectors of journalists" from New York are not such downright fools that they do not know that the overwhelming majority of newspapers in Slovakia are oriented against the government, in spite of which they are published without any problems. The "protectors of journalists" from New York cannot be such complete idiots that they do not know that the new Slovak state, in which no journalist has been jailed because of his work, cannot easily be put into the same category with states in which journalists are routinely imprisoned and executed. How is it possible, then, that such evaluations are reaching us more and more often? And that they are reaching us from states that, unlike Slovakia, have a large number of political prisoners?

The explanation could be simple: The states that, despite or, rather, because of artful political censorship and censorship by capital, carefully maintain their reputation as democracies are interested in seizing control of the East European states' markets in order to solve their own problems. The West has already crossed its zenith. In the great majority of Western states, production is beginning to decline, unemployment is rising, and the prospects are not rosy. Slovakia, however, "resists," in a certain way, the assault by Western capital, which has already brought states such as Argentina, Chile, Mexico, and neighboring Poland to their knees, not only by destroying their original sovereign economies but, consequently, also by depriving their people of human dignity.

This approach by Western profit-seeking circles is perhaps natural. What is worse is that not a few Slovaks have swallowed their bait. Although no one persecutes or terrorizes them, they have contracted political paranoia and come to believe that they live in a dictatorship.

[Bratislava NOVA SMENA MLADYCH in Slovak on 3 May on page 2, under the headline "Absurd Ranking," carries the following statement by the newspaper's "editorial board" in reaction to the inclusion of Meciar on the CPJ list: "More than once, citizens of the Slovak Republic have been able to convince themselves of the distorted view held by some West European and also American 'protectors of democracy' concerning social and political developments on our territory. What is most worrying, however, is that this view is becoming more and more distorted. At the same time, it is not quite clear whether this is due to ignorance or is intentional. Vladimir Meciar's inclusion in the world ranking of the 10 'worst enemies of the press,' issued by the CPJ in New York, is, in the opinion of NOVA SMENA MLADYCH, a profound insult to the Slovak Republic and its representatives and citizens. All the more so because, in a number of respects, press freedom in the Slovak Republic is greater than in the United States, for example. For instance, STV [Slovak Television] and Slovak Radio broadcasts offer our minorities substantially greater opportunities to express themselves than are offered native Americans and some other minorities in the United States. Similar attempts at unethical interference in developments in the Slovak Republic account for the disenchantment of growing circles with the so-called Western democracy."]

Slovakia: Daily on 'Paradoxes' of Coalition's NATO Policy

AU0805142096 Bratislava PRAVDA in Slovak 8 May 96 p 4

[Commentary by Martin Krno: "The Paradoxes of Our Time and Government"]

[FBIS Translated Text] Writing in yesterday's SLOVENSKA REPUBLIKA, E. Zelenayova, who represents the Movement for a Democratic Slovakia on the Foreign Committee of the National Council [NR SR], characterized our domestic political situation by means of a paradoxical phenomenon: "While the ruling coalition is formulating a pragmatic policy oriented toward Slovakia's incorporation into the European Union and NATO, the opposition is actually blocking this policy." On the same day we published the statement given to PRAVDA by J. Luptak, deputy chairman of this same parliament and leader of a party in this same coalition, following his meeting with Russian Deputy V. Lukin: "I emphasized that we would be happy if our country were neutral."

Slovakia's orientation toward NATO and the EU is regularly spoken about very skeptically at the briefings of another coalition party—by J. Prokes, honorary chairman of the Slovak National Party and deputy chairman of the aforementioned NR SR committee. Incorporation into the transatlantic security structures has both negative and positive aspects. Something was perhaps removed from the latter when NATO Secretary General J. Solana stated, during his recent Central European tour, that his organization is interested only in new countries with full-fledged membership, which obviously buries the illusion that Slovakia would get by without foreign troops and nuclear weapons on its territory. However, I suspect that everyone will agree on one thing: The final decision should be preceded by a public debate and referendum. Nevertheless, who but the government, which included integration into the supranational economic and security structures among the priorities of its policy statement, should get the campaign of persuasion under way? So far, Meciar's movement has not

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

even managed to persuade its coalition partners. Therefore, along with E. Zelenayova, we are asking: "Who is actually formulating the anti-integration policy?"

Slovakia: Foreign, Defense Ministers on WEU Summit

LD0805181996 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0500 GMT 8 May 96

[FBIS Translated Text] A meeting of the council of ministers from 27 European countries ended in the British city of Birmingham yesterday. The meeting adopted the Birmingham declaration, expressing the resolve of the countries associated with the Western European Union [WEU], including Slovakia, to cooperate more closely with this important European organization.

After the meeting, editor Miroslav Minar asked [Slovak] Foreign Minister Juraj Schenk and Defense Minister Jan Sitek for a brief assessment of the summit.

[Begin Schenk recording] The integration of Russia and Ukraine into a new European security structure was a very important issue, which we focused on. Strategic and conceptual issues were also of great importance because they outlined the ways in which the WEU was beginning to gradually tackle the problem of European security and defense identity. This will create a prerequisite for the WEU to very actively join the efforts of the European Union, which is trying to find a new definition of its foreign and defense policy, too.

As regards participation of associated countries, including Slovakia, we noted that the scope they were given at the forum was exceptionally broad, be it the foreign ministers' meeting, which discussed above all Russia and Ukraine, or the defense ministers' meeting, which focused on crisis management. These discussions were very lively and confirmed that, within the strategic partnership, which is a kind of a guideline governing the relationship between the associated countries and the WEU, the associated countries were beginning to be regarded as very important and equal partners. Moreover, the WEU members highly and positively appreciated the role of associated countries. [end recording]

[Begin Sitek recording] The Slovak Republic supports the planned strengthening of WEU operational capability and is ready to enhance contacts in the sphere of military cooperation, first and foremost by participating in the implementation of humanitarian and peaceful operations. In this respect, the Slovak Republic has allocated one mobile field hospital, with its 90-strong staff. The Slovak Republic offers also the possibility of retraining international units earmarked for peaceful and humanitarian operations in the Slovak military training grounds.

I would particularly like to stress that Slovakia finds the (?conditional) program announced at the summit very interesting. I regard this program as one that offers Slovakia great possibilities and [word indistinct] to Slovakia because Slovakia has sound expertise and technical ability in this field. Our very successful participation in the UN peace missions is evidence of this. Our engineering battalion was highly praised by the British defense secretary today. [end recording]

Slovakia: SNS Head Says Coexistence Leader Should Be in Jail

AU0805142496 Bratislava NOVY CAS in Slovak 8 May 96 p 2

[Article by "ay": "According to Slota, Duray Should Have Been Behind Bars a Long Time Ago"]

[FBIS Translated Excerpt] [Passage omitted] Slovak National Party [SNS] Chairman Jan Slota reacted immediately to yesterday's statement by Coexistence Chairman Miklos Duray that, if the Komarno program is not realized, his party will have to seriously consider the question of territorial autonomy. Jan Slota told Radio Twist: "The irredentists are really absolutely serious about autonomy and breaking up the young Slovak Republic. For this reason, I would like to stress that the Penal Code amendment is very urgent, and I hope parliament will confirm it a second time. I also hope that the judges of the Constitutional Court will come to their senses because, if they turn down this amendment, it could well happen that there will not be a Slovak Republic and a Constitutional Court." Asked whether the amendment would also concern statements such as Duray's, Slota replied that Miklos Duray should have been in jail a long time ago.

Slovakia: Helsinki Committee Claims Police Mystifying Public

AU0805135996

[FBIS Report] Slovak newspapers on 7 and 8 May publish reports that question the Slovak Police Corps' claims that, according to preliminary investigation results, the 29 April explosion that killed Robert Remias, a witness in the Kovac Jr. kidnapping case, was caused by a "technical fault" in his car's fuel system.

Bratislava SME in Slovak on 7 May on page 4 carries a 400-word commentary by Peter Toth entitled "Who Is Next?" The author challenges the "official version of the explosion," saying that "the state of the car after the tragic event does not suggest that gas had exploded in it because its rear part (where the gas tank was installed) was more or less unimpaired. Had gas exploded there, it would have been blown to pieces...."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Another reason Toth distrusts the "official version" is that the "organizers" of the Kovac Jr. kidnapping must have had an interest in silencing Remias: "Now that Robert R. has been silenced, there is only Oskar F. [former secret service agent who had confessed his part in the kidnapping] left. He does not appear in public, however, which is why he is not dangerous for the time being. Besides Oskar F., there are still witnesses who can confirm his testimony. One of them is the secret witness who testified that he had been asked to confirm a false alibi for the white Mercedes 208D van [owned by the secret service, observed in front of Kovac Jr.'s house before the kidnapping]; the others are the employees of a glass shop, in which new glass was made for the van. As for the first witness, two grenades have already exploded in his garden. And neither grenades nor cars explode without reason."

Bratislava SME in Slovak on 8 April on page 2 carries the following unattributed report, entitled "Concern Over Attempts To Mystify the Explosion": "The Helsinki Civic Committee and the Helsinki Civic Assembly issued a statement yesterday in which they express concern about attempts to mystify the public by insinuating that the explosion of R. Remias's car was spontaneous [samovolny] and to foist upon it in advance such an interpretation of this tragic event. As the statement points out, statistics show that, for the hundreds of thousands of propane-butane-powered cars being driven all over the world, there has not been a single case of spontaneous explosion. Both organizations ask the minister of interior and the president of the Police Corps for this tragedy to be investigated more flexibly and effectively than Kovac Jr.'s kidnapping."

Bratislava NARODNA OBRODA in Slovak on 8 May on page 1 carries a 200-word report by Peter Sporer entitled "J. Kostov: Our Penal System Does Not Permit Assessment by a Foreign Testing Laboratory." The report includes the following passage: "'Our penal system does not permit this,' Jan Kostov, director of the Slovak Interior Ministry's Section of Investigations and Criminal Expert Analysis, told NARODNA OBRODA in reply to a question as to whether, in the interest of lending greater credibility to the results of the investigations into the explosion of Robert Remias's BMW and his subsequent death, Slovak criminologists should not ask some Western state's testing laboratory or criminology institute for their assessment. At the same time, he pointed out that the Police Corps' Institute of Criminology and Expert Analysis in Bratislava was the only authorized body for this activity. 'If it did not have an expert for the relevant problem, it could invite a consultant from another workplace, including those abroad,' Jan Kostov said. He added that, regarding the explosion of Remias's BMW, the institute is considering inviting a Slovak expert from another institution, who would be present during the expert evaluation."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Hungary: Keleti Wants Nuclear Weapons Ban in East Europe

AU0805114996 Budapest NEPSZABADSAG in Hungarian 8 May 96 pp 1, 3

[Report on interview with Hungarian Defense Minister Gyorgy Keleti by an unidentfied correspondent; place and date not given: "Keleti Proposes Nuclear Agreement"]

[FBIS Translated Text] Although the issue of deploying nuclear weapons on Hungarian territory was not discussed in talks with NATO, Defense Minister Gyorgy Keleti does not think NATO intends to deploy such weapons. Gyorgy Keleti told us that Brussels could stop Russian opposition to NATO enlargement by declaring that it will not deploy nuclear weapons in former Warsaw Pact countries. Officials in Brussels told us they do not generally accept such obligations.

The issue of deploying nuclear weapons has not yet come up in our talks with NATO. When the time comes, we will talk about it, Gyorgy Keleti told us.

Gyorgy Keleti expressed the opinion that NATO could stop Russia's opposition to NATO enlargement if the organization promised not to deploy nuclear weapons on the territory of former Warsaw Pact states that join NATO. Keleti added that he does not think NATO wants to deploy nuclear arms in the new member states, so such a promise could easily become part of a compromise.

Gyorgy Keleti also told us he will leave for an official visit to Bucharest next week and and said he and his Romanian colleague may discuss the recent declaration made by Romanian Defense Minister Gheorghe Tinca that an arms race would develop between the two countries if Hungary got into NATO before Romania.

Hungary: Editorial Hails Ratification of Treaty With Slovakia

AU0805140696 Budapest MAGYAR HIRLAP in Hungarian 8 May 96 p 7

[Editorial by Edit Melykuti Nagy: "The Difficulties Are Yet To Come"]

[FBIS Translated Text] A long and painful diplomatic wrangling is over: President Michal Kovac has signed the Hungarian-Slovak basic treaty. It was not his fault that it took over a year for the Slovak Parliament to ratify this document. Vladimir Meciar needed to lay the groundwork to make this document on good-neighborly relations and friendly cooperation acceptable to the extremist opposition.

The now final basic treaty is an important step in our bilateral relations; however, we cannot expect it to ease the tension. And not because the Slovak Parliament issued addenda to explain its implementation (this does not have any importance from the viewpoint of international law, and the president did not sign it, either). But in its eagerness prior to the ratification, the Slovak Parliament made it difficult to implement the national minority rights from the outset. The new administrative division upset the ethnic proportion of the regions, and the law on the state language, a law adopted without delay, only added to the aforementioned problem (and the promised law on national minority languages is not even on the horizon).

The formulation of the basic treaty, and the formulation of the principles acceptable for both sides, has been a long and painful process, but the hardest time is yet to come for Hungarian diplomacy—at least if we are seriously thinking of verifying the implementation of all the things that the document stipulates regarding the national minority rights. The official exchange of the basic treaty does not guarantee anything: This does not hinder the language patrols in Slovakia, or the attempts of the extremist nationalists to shrivel the national minority education.

It depends on the hopeful strengthening of the Slovak democrats and Hungarian diplomacy, and the international community that openly took a stand for signing the treaty, whether this document remains a mere declaration or lays the foundations for good-neighborly relations and friendly cooperation.

Hungary: Foreign Trade Deficit Reaches $800 Million

AU0805133696 Budapest MAGYAR HIRLAP in Hungarian 8 May 96 pp 1, 11

[Report by "V.K.": "$800 Million Foreign Trade Deficit"]

[FBIS Translated Text] Hungary's imports exceeded exports by $800 million in the first quarter. Nevertheless, Deputy State Secretary Lajos Berenyi said at his news conference that the foreign trade deficit will not exceed $2 billion in 1996.

Berenyi justified this partly by saying that the foreign trade deficit is always higher in the first quarter than in the rest of the year, and partly by noting that the current deficit is some $200 million less than the first quarter of 1995. While exports, increasing by 6.1 percent, reached $2.9 billion in the first quarter of 1996, imports, similar to to the first three months of 1995, can be estimated at $3.7 billion. Therefore, the tendency of the first

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

two months—when imports increased 11 percent, while exports only increased 5.5 percent—has been reversed. The ministry explained the unfavorable data by the increased energy imports due to the tough winter, and the imports early in the year linked to work performed under license agreements.

In the first quarter, the proportion of exports to developed countries increased, reaching 74 percent. It is noteworthy that our foreign trade balance is positive with Germany. Within exports, the proportion of processed goods increased by 2 percent, and of machinery by 1.2 percent.

Compared to the first quarter of 1995, the import of energy sources increased by 24 percent. However, imports decreased in all other product groups, Berenyi said. Some 69 percent of imports came from the developed countries, 25 percent from the former socialist countries, and 6 percent from developing countries. According to Berenyi, no special measures are needed to improve the foreign trade balance. In his view, the planned reduction of the 8 percent supplementary customs duty in two phases, by 1 percent each time, in the second half of the year will not much increase imports. In reply to a question, Berenyi admitted that, in making comparisons, one must not ignore the fact that the Bokros package only started to make an impact in the second quarter of 1995, and therefore the foreign trade balance improved compared to the unfavorable situation in the first quarter.

In the first two months of 1996, working capital imports reached $381 million. This is more than in the same period last year, Berenyi said. (According to the Hungarian National Bank's data, direct foreign capital investment amounted to $123 million.) According to Berenyi, it is a realistic goal that the capital inflow will be between $1.5 and $2 million this year.

On unchanged prices, industrial production increased by 1.2 percent in January and February due to the 14.5 percent export increase, while domestic sales decreased by 1.9 percent. The tourism balance is encouraging: The first two months had a $100 to 120 million surplus, as opposed to a similar size deficit in the same period last year.

Foreign Trade Balance (in millions of $U.S.)

1995				1996
1st Quarter	2d Quarter	3d Quarter	4th Quarter	1st Quarter
- 993.6	- 997	- 309	- 325.4	- 800 (preliminary figure)

Hungary: Government To Introduce Plan To Cut Expenditures

AU0805130596 Budapest NEPSZABADSAG in Hungarian 8 May 96 pp 1, 5

[Unattributed report: "Plans To Reduce the Scope of Social Security"]

[FBIS Translated Text] According to the state administration reform plan, government expenses are to fall 5 percent in the next three years, and the volume of public and public administration expenses will drop 6 percent each.

In the course of reorganizing health care, hospital expenses will have to be reduced by an annual 2-3.5 percent on the way to reducing the number of hospital beds to 70,000-75,000. It is also necessary to reduce ambulance services in areas with an excessive level of such services. Regarding social care, the proposal points out that the principle of need should operate. For this, the plan intends to introduce a uniform income supplement. This would go to families with children and older people with low income, people who obtain all the other forms of social help and yet cannot guarantee their subsistence.

For this, the plan finds it necessary to work out a social minimum, equivalent to 80 percent of the minimum old-age pension, currently 7,680 forints [Ft].

As for social security self-government bodies, the plan stipulates that the current regulations do not provide sufficient scope for the government and, therefore, the reform aims at modifying the laws on the activity of social security self-government bodies and the state administration, including their funds, so as to guarantee adequate supervisory rights for the government.

The plan to modify social security contributions must be submitted to Parliament by 30 June. This plan stipulates that, in addition to reducing the level of social security contributions, the social security basis should be enlarged, and cross-financing [keresztfinanszirozas] should be eliminated.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

In connection with the change in the tax system, the main goal is to encourage savings and to eliminate the disproportion in public burdens by taking into consideration the elements of family taxation, eliminating unjustified tax exemptions and broadening the tax basis. This requires a reduction of corporate and personal income taxes, as well as a reduction in the differences in taxation between capital income and labor income. The plan considers the possibility of introducing a uniform capital income tax and of providing tax cuts to fully employed parents. The plan does not regard it as justified to introduce a property tax, but it regards a general real estate tax as possible, which would be levied on real estate more valuable than average. The plan calls for a reduction in the personnel of budget institutions and a limitation of the circle of government work and free services. The plan also proposes to reduce the Army's peacetime personnel to 30,000 men.

Hungary: SZDSZ Gives Kuncze Veto on Investigating Office Issue

AU0805124696 Budapest MAGYAR HIRLAP in Hungarian 8 May 96 p 1

[Article Report by "Sz.Sz.": "The SZDSZ Has Authorized the Interior Minister—Kuncze Can Veto—Stalemate on the Issue of the Investigating Office?"; headline as published]

[FBIS Translated Text] Interior Minister Gabor Kuncze has been given the right of veto by the Executive Committee and parliamentary group of the Alliance of Free Democrats [SZDSZ] if the proposal on setting up the central investigating office is submitted to the government in its original form, MAGYAR HIRLAP has learned.

There is still no agreement between the prime minister and his coalition partner on the issue of establishing a central investigating office. Gyula Horn is standing by his proposal, but the Interior Ministry and the SZDSZ cannot accept the revised proposal.

According to the coalition agreement, in such cases, a solution to the dispute has to be sought at the session of the Coalition Coordination Council. The prime minister has discussed this issue with SZDSZ leaders a number of times, but the views have not come any closer. According to our information, the minor coalition party could at most accept a solution that, instead of setting up a central organization with independent investigating rights, would make it possible to set up ad hoc coordination groups at the initiative of the police with the involvement of the given organizations in the case of certain very serious fraud cases.

Although the Hungarian Socialist Party is not uniformly behind the prime minister's proposal, either, the Socialist ministers are expected to support the establishment of the central investigating office at the government session. In this case, the SZDSZ can only prevent the government decision through Kuncze's veto. The situation is similar to the period preceding last year's coalition crisis, when Horn had announced his government reshuffle plans.

Contrary to previous plans, this week's government session will take one day instead of two, Kuncze told MTI.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

B-H Islamic Group Threatens To Attack IFOR Troops

LD0805220796 London THE EUROPEAN in English 9-15 May 96 pp 1-2

[Article by diplomatic editor Ian Mather: "Jihad Threat in Bosnia Alarms NATO"]

[FBIS Transcribed Text] NATO intelligence officer are investigating a threat from a previously unknown Islamic terrorist group that it will launch suicide missions against troops of the Nato-led force in Bosnia similar to those which recently killed dozens of Israeli citizens.

A spokesman for the I-FOR [Implementation Force] troops, in Bosnia to implement the transfer to civilian rule, said they were ready to respond to any threat. "We are concerned that some foreign forces might have remained in Bosnia," the spokesman admitted. "We are prepared to take action as appropriate. If there is a direct threat we have the means to protect ourselves."

The warning was passed on to I-FOR headquarters in Sarajevo by THE EUROPEAN after one of its regular correspondents in the area obtained an exclusive interview with the head of an "Islamic group military branch" in Bosnia. The leader was training a group of what were said to be Bosnian recruits.

Nato and I-FOR are taking the threat seriously. The leader, who used an assumed name in the interview, warned: "We are looking for ways to die so we can meet God in Heaven with dignity." Nato troops had no defence against such tactics, he claimed.

He added: "I have a message for Nato forces in Bosnia. None of you will sleep peacefully. We shall send suicide bombers to punish the United States and I-FOR for their occupation of an Islamic land." The whole world would hear very soon about the new group called the Bosnian Islamic Jihad, he said.

All foreign troops, including some 400 Islamic fighters, should have left Bosnia by now under the Dayton peace accord. Evidence that some have slipped through the net is alarming I-FOR.

A Nato official said troops were under orders to be ultra-cautious and to travel in groups. But under its new rules of engagement I-FOR troops could react aggressively if threatened.

The interview took place at the home of the group leader, who uses the nom de guerre Salim al-Korshani. Al-Korshani, an Egyptian married to a Bosnian Muslim, was with a small group of members of the new jihad.

He introduced them to THE EUROPEAN's correspondent as Bosnians, and this seemed confirmed by their skin colour and blond hair. All were under 25 years of age. Their faces were covered with a red koufiya [previous word in italics] and they wore dark glasses.

"These are our Bosnian brothers," al-Korshani said. "Very soon the world will hear their message. They are trained for kidnapping, assassination, using explosives and carrying out suicide missions without hesitation." In this they would be following the example of "their brothers," Hezbollah in Lebanon and Islamic Jihad in the territories occupied by Israel.

He said the U.S. was the main target. "Wherever they have interests, we shall be their shadow. There are no security measures against those willing to die. We are fundamentalist. We are terrorists and we shall terrorise them."

After the U.S., Croatia was top of the hit list, he said.

B-H: IFOR Denies Contaminating Local Water Supplies

AU0905121996 Paris AFP in English 1205 GMT 9 May 96

[Unattributed article: "IFOR Cries Foul on Stinky Soldier Story"]

[FBIS Transcribed Text] Sarajevo, May 9 (AFP)—NATO struck back Thursday [9 May] at accusations that its soldiers were raising a stink in the Bosnian countryside.

The stinky soldier story broke surface last month in the Bosnian media, when Bosnian Premier Hasan Muratovic visited two U.S. Army waste-disposal ponds at Cude, near Olovo, north of Sarajevo, to investigate complaints by local people.

Bosnian reporters, wrinkling their noses at the smell, said the effluent from a nearby U.S. base camp was being dumped in the ponds, known to the Americans as the "black lagoons," and was contaminating local water supplies.

Not so, said NATO Thursday, criticising "inaccurate" reporting on the story.

"There is no evidence of contamination of water supplies," a NATO statement said.

The Bosnian mayor of Olovo had rented use of the ponds to the NATO-led Implementation Force in March as a "waste-water stabilisation lagoon" because of the inadequacy of the local sewerage system, the statement said.

The ponds in question are between half and one-and-a-half metres deep, enough to treat the needs of the several

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

hundred U.S. soldiers at the nearby army site, a NATO official told AFP.

"When we heard there were complaints, we investigated," NATO spokesman Major Simon Haselock said.

"We take our ecological responsibilities very seriously," he said.

The waste being dumped at the Cude ponds would soon be treated, a NATO official added.

Over a period of 50 to 80 days, micro-organisms and plants eat up 80 to 95 percent of the organic material in effluent, disposing of stickiest aspects of the problem, Haselock said.

Mindful of the need for good public relations, NATO has decided, nevertheless, to close the site and will from now on be shipping the material to a waste water treatment plant "in the Tuzla valley," Haselock said.

"When we leave, we will leave all installations and areas we have used in a much better condition than we found them," the spokesman added.

B-H: Silajdzic: Protection of External Borders Top Priority

LD0805205896 Lisbon RTP Internacional Television in Portuguese 1900 GMT 8 May 96

[FBIS Translated Excerpt] In an interview with Portuguese reporters in Sarajevo, former Bosnian Prime Minister Haris Silajdzic said that the elections will only be credible if there is freedom of movement in the country and that it is up to the international community to ensure that the elections are democratic.

[Unidentified reporter in Sarajevo] Haris Silajdzic said that the time has come for the international community to commit itself fully to the reconstruction of Bosnia.

[Begin Silajdzic recording in English, with Portuguese subtitles—transcribed from the English] The final step will be: Establish the inviolability of the Bosnian borders, not only in principle but by concrete measures, according to the international standards of protecting international borders. That's number one. That must be done immediately, because our borders are being violated, manipulated. That situation disrupts the economy and stability of the whole region. So, instead of placing emphasis on internal lines, we have to make the priority, the real priority, the priority of Dayton, external borders. [passage omitted] [end recording]

[Reporter] Haris Silajdzic, who leads the opinion polls for the next general elections, also said that, for as long as the population's freedom of movement is not guaranteed, the electoral process will lack credibility, and that it is up to the international community to ensure the implementation of the peace accords.

B-H: Presidency Recalls Ambassador to United Kingdom

AU0805180696 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 8 May 96

[FBIS Translated Text] The 318th session of the Bosnia-Herzegovina Presidency, chaired by President of the Presidency Alija Izetbegovic, was held today.

The Presidency examined and passed [words indistinct] soldiers, noncommissioned officers, officers, and generals on active service in the Bosnia-Herzegovina Army and the criteria for the appointment of the professional army personnel [words indistinct]. Other issues from the realm of defense and the organization of the armed forces were also discussed.

The Presidency passed a decree on the promulgation of the law on changes and appendices to the law on republican ministries and other republican administration offices and the law on changes and appendices to the administrative taxes and [word indistinct] taxes.

The Presidency agreed to the appointment of the ambassador of the Swiss Confederation to Bosnia-Herzegovina. At the proposal of the Republican Government, our ambassador to Great Britain, Muhamed Filipovic, was recalled, on the basis of [word indistinct] demand.

The Presidency also discussed other issues that fall within its authority and passed relevant decisions accordingly.

B-H: Bosnian FM Prlic Discusses State Affairs

AU0705175396 Ljubljana SVIJET in Serbo-Croatian 2 May 96 pp 12-16

[Interview with Bosnian Foreign Minister Jadranko Prlic by correspondent Fahro Memic; place and date not given: "Prlic"]

[FBIS Translated Text] "Occupied. Busy with this. Busy with that." Those were the answers we usually got when we tried to contact and interview Jadranko Prlic, foreign minister of the Government of Bosnia-Herzegovina. However, our attempts were finally successful. "I will be very glad to talk to 'Svijet', let us just arrange the time," he said. We arranged the time for the interview with Drago Maric, his colleague and invaluable head of office.

Prlic reacted dynamically as usual to our first, unfinished question, that mentioned the Republic of Bosnia-Herzegovina.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Prlic] Do not say "Republic" of Bosnia-Herzegovina. There is no "Republic" of Bosnia-Herzegovina. Everybody here agrees that the term "Republic" should not be used in international communication. We call ourselves the Government of Bosnia-Herzegovina, the Foreign Ministry of Bosnia-Herzegovina. That was our official way of communication in Brussels. It is also in accordance with the Constitution created in Dayton. We usually use the term "the state of Bosnia-Herzegovina" to avoid possible misunderstandings and disagreements.

[Memic] You were the last person in one high position in the old system, before the national parties took over. You were the deputy chairman of the Executive Council of the Republic [RIV], or, to be more precise, you were the chairman, because Chairman Marko Ceranic abandoned his function and escaped to Belgrade.

[Prlic] He did not escape, he took shelter there.

[Memic] Can you make a parallel view, or compare—from the present point of view—the situation before the war, during the war, and the present postwar situation?

[Prlic] It was a very competent government, because the situation they left for those who later came to act in this region was suitable for a quick process of transition, and we could now have been on the level of, for instance, the Czech Republic. Instead of that, we are now probably among the most undeveloped countries in the world. The aggression of the JNA [Yugoslav People's Army] in Bosnia-Herzegovina is the major cause of this situation, but—as I have already said on several occasions—the incompetent persons who were not fit for the most responsible functions in the state of Bosnia-Herzegovina are also to blame.

[Memic] You are one of the founders of Herzeg-Bosnia and one of its high officials, and now, as a member of the HDZ [the Croatian Democratic Community], you are the foreign minister of Bosnia-Herzegovina. How do you manage to reconcile the different interests of those positions—the interests of Herzeg-Bosnia, the HDZ, and Bosnia-Herzegovina?

[Prlic] There are no different interests. It all depends on who defines the interests. In Sarajevo, I have always met the same stereotype that still exists, and I am supposed to fit into that stereotype in order to be accepted. I am not going to fit into any stereotype.

[Memic] You said there were no different interests.

[Prlic] There are interests. There are different interests in normal life—in marriage, for instance, between spouses. However, what I meant by saying that there were no different interests was that the peace agreement has been signed, and the form of Bosnia-Herzegovina has been agreed upon. Therefore, we should only apply the negotiated decisions. However, our politics constantly returns to the beginning, as if nothing had been done. For me, things are mostly clear, and I want to act according to that. Whoever interferes with the application of those is an enemy to me, and to the interests of all citizens and nationalities of this country. The Dayton agreement, as far as I am concerned, expresses the wish for peace of all the nations and citizens of Bosnia-Herzegovina.

[Memic] What does the state of Bosnia-Herzegovina mean to you today?

[Prlic] Bosnia-Herzegovina is just a construction site where a building must be raised.

[Memic] Are there any foundations?

[Prlic] The foundations are just being made.

[Memic] You have participated in all the political events in the recent past. After Washington, especially after Dayton, what do you think about the savage clashes between the Bosnian Muslims and the Catholic Croats in the previously united Bosnia-Herzegovina?

[Prlic] My opinion about those is very negative. I think it could have been avoided. It happened for a number of reasons, which we will be able to discuss only after a certain period of time. According to certain stereotypes, the Croats are always accused of having wanted the division of Bosnia-Herzegovina. I will say one thing only, and that is—although I have participated in the talks on the highest level only once or twice—that the fundamental difference was the following: The Muslim standpoint was "Let us fight for the united Bosnia-Herzegovina, and later we will see what this Bosnia-Herzegovina will be like," while the Croatian viewpoint was "Let us first arrange what this Bosnia-Herzegovina will be like, and then we will fight for it."

[Memic] For the united Bosnia-Herzegovina?

[Prlic] United. The form of its organization is a completely different matter. When I talk about "united" and such things, the important thing is who makes decisions and how. Also, whether the rights of the nations are protected or not. And whether we can protect the other nations in Bosnia-Herzegovina, or is it perhaps sufficient to have 15 representatives of a certain nation, and keep them in certain places—like the national folklore group—and thus justify the multiethnic, multicultural, and other multisomething character of Bosnia-Herzegovina?

[Memic] Does that mean that you are against any kind of outvoting?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Prlic] I am absolutely against it.

[Memic] Would it be wise for the state of Bosnia-Herzegovina at this moment to name the initiators of the clash between the Muslims and the Croats on both sides?

[Prlic] Yes, if it is possible. However, there is the problem of all kinds of circumstances, and the line cannot be drawn very precisely—this decision was made, and that happened because of it. Some spontaneous processes have also occurred. You know, it is a chain process, like a snowball that rolls down the slope of a mountain and starts an avalanche. Many things have happened spontaneously, at least I think so, rather than because of the influence of any authority.

[Memic] Do you mean that Zagreb did not influence the course of events in the clash?

[Prlic] I am not sure what you mean. Zagreb has certainly influenced the Croats in Bosnia-Herzegovina, as well as their politics. That is not a secret at all, and I have stressed that several times. In Bosnia-Herzegovina, when it comes to Croats, the HDZ is the absolute winner in the elections. In Croatia, the HDZ has won all the pluralist elections held so far, and it is only natural to maintain communication and then adjust our politics and standpoints in the most important questions. That is not a secret, and we should not avoid that. Someone might not like it, but that is how things are.

[Memic] In other words, spontaneity was the most important characteristic of the clash between the Muslims and the Croats?

[Prlic] I did not say that, I said that the spontaneity had a very important role in everything that happened. I will not talk about everything now, it would take too long, and you know how it happened, how the atmosphere before the clash was created. Many refugees came to certain areas. It was one of the very critical situations. There were 100,000 members of one nationality who came to central Bosnia because they were forced to leave their homes. It immediately created a different atmosphere. How do you feel when someone comes to your apartment and stays longer than you want them to?

Some things might have been prevented by politics; but, unfortunately, they were not. I do not believe that there was a resolution to begin the war by any side, that is my opinion. I know that the Croats did not make such a decision. They would not begin the war at a time when they were weaker than the Army of Bosnia-Herzegovina. Had they wanted the war, they could have begun it while the Army of Bosnia-Herzegovina was not formed, and the Muslim side did not have enough weapons. They would have begun it a year earlier.

[Memic] You once said, in an HRT program, that you would consistently carry out Croatian politics in Herzeg-Bosnia and in the Federation. How does that statement agree with your position?

[Prlic] Very well. Are there any objections about the way I perform my function and what are they? That is my answer to your question.

[Memic] According to that, the Croatian politics toward Bosnia-Herzegovina correspond to the interests of Bosnia-Herzegovina.

[Prlic] What are the interests of Bosnia-Herzegovina? Who defines them?

[Memic] The people define them.

[Prlic] There are three nations in Bosnia-Herzegovina, and there are the citizens as the fourth. The only expression of their common will, signed by the representatives of all three peoples and accepted by everyone in Bosnia-Herzegovina—by the Assembly and those who consider themselves to be the Assembly—is the Dayton agreement. It has also provided the outline of the Constitution of Bosnia-Herzegovina, and it is valid whether you like it or not, and it is the only thing achieved by the common will of all three nations in Bosnia-Herzegovina. So we have to begin somewhere. We have the foundation of what Bosnia-Herzegovina should be like. Many people do not want the Dayton agreement to be applied, but they have to be aware of the consequences of that for the citizens of Bosnia-Herzegovina. If some people think that Bosnia- Herzegovina should be organized in a different way, it does not make them the enemies of the country.

I can assert that Croatian politics has never favored the division of Bosnia-Herzegovina, and I have been in Croatia as a soldier and as a man versed in certain things. They have always wanted Bosnia-Herzegovina, but organized in a different way. Can you remember the commotion caused by the referendum question in Livno, the proposal to form cantons? There was a furious media campaign against the HDZ, even against the Croats in Sarajevo. And what do we have today? Would not everyone be happy today to have a a real organization of cantons? So, every decision in its time. I am not trying to justify the behavior of the Croats, or the way the policy was applied in Bosnia-Herzegovina. There were extremely stupid things. I might know that better than anyone else. It is the circumstances, it is the way war causes the emergence of people not capable of doing their job, as well as of certain people whose psychological structure is different, to put it that way.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Memic] You have mentioned Livno and the issue of cantons. Aren't the present cantons organized in a different way?

[Prlic] I think that the Vance-Owen plan was the best plan for Bosnia-Herzegovina, and not just because I was at that time appointed president of the central government (laughter). I tried to form that government, but it soon became clear that none of the leaderships wanted that, so it was cancelled.

[Memic] Do you think it was the beginning of the final division of Bosnia-Herzegovina along ethnic lines?

[Prlic] No, the division was only proceeded with.

[Memic] What are the essential interests of the Federation?

[Prlic] The essential interest is for the Federation to be established and to enable the two majority nations to live there together. That is the only essential interest of the Federation. On the other side, without the Federation, Bosnia-Herzegovina cannot exist. Whoever thinks differently is an enemy of Bosnia-Herzegovina, enemy of the Muslims and all the citizens of Bosnia-Herzegovina. Time will prove that.

[Memic] What are the interests of the Confederation?

[Prlic] The Confederation should not be placed in a definite time frame. We should see whether it is appropriate for the new circumstances, whether it makes sense, what the interests are, etc. I want us to think in terms of essence, not ideas. We have made efforts in the previous period, and managed to balance the relations between Croatia and Bosnia-Herzegovina better than ever since the beginning of the war. Regardless of everything, even of the clash that happened, a significant part of the agreements has been signed, and relations are better than they have ever been.

[Memic] Were the Sarajevo talks with the representatives of the Islamic Conference and the "donor talks" in Brussels dictated primarily by the interests of the country or those of the leading parties?

[Prlic] I do not agree with the government making all the important decisions, because thus everything is influenced by parties. I favor the use of more important criteria, like economic criteria, the actual degree of destruction, the strategic priorities, and other things. Fortunately, those projects have been made in cooperation with the World Bank and the European Union, and they have defined, approximately, 80 percent of the things to be done in Bosnia-Herzegovina. The projects include small business, medium-sized business, and private enterprise. More convenient credit will be granted to those projects, but the conditions for this will be arranged according to the strict methodology of the World Bank. Many people thought that the money would come directly. It will not be like that, and I would be the first to complain about a single dollar or German mark anyone might receive without working. The form of the economic system is not important. It is not a gift, that is what people do not realize. We have to teach people to work, give them a chance, open up possibilities for them. This money makes it all possible, but we have to be very cautious with it. It seems something is being done about it, but I do not like this great politicization of the issue. Today, everybody is looking forward to the elections, and I think they will vote more against than for the options.

[Memic] How do you explain that?

[Prlic] We do not have to be very wise, we must simply take a good, sober look at things. Try to extrapolate the tendencies of the several past months. Everyone will be against everyone else, and the voters will vote against, not for something.

[Memic] Will there be any attempts to use the donated contributions of about $2 billion as an efficient election instrument?

[Prlic] Of course there will be such attempts. I think those must be stopped at the very beginning.

[Memic] How, with what instruments?

[Prlic] I suggest the supervision of the international community. Thus the usage of those funds will be directly politically conditioned. They will be accessible for Bosnia-Herzegovina, for certain entities, for certain counties-cantons, and certain municipalities if they act according to the Dayton Agreement. It has already been felt in Bugojno, Capljina, Vares, and Stolac. Without it, there will not be any peace and happiness here. Would the world come here at all, had we been able to have peace and form a state on our own? One thing has to be clear to all of us, and I say that with full responsibility: The world has no interest in Bosnia-Herzegovina. I will tell you so again in two years, if everything goes well. What interest could the world have in a state that will become a mere word, with an area of 50,000 square kilometers, a population of 4 million, and no strategic importance?

[Memic] What are the possible consequences of, and what sanctions will be applied—if any—because of the Serbian representatives' decision not to participate in the Brussels meeting?

[Prlic] I made myself very clear when I said it was a wrong decision by their leadership. It is a decision

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

against their own people. The funds of the international community will be used in that entity, too. Out of the $5.1 billion, $1.4 billion is for that part of Bosnia-Herzegovina. There will be political conditions, of course, but I hope that the preparations for the program will start very soon, during the summer, so the realization of certain larger projects could be possible by autumn. The different standpoint of the international community is also notable when it comes to the usage of the remaining funds. I believe that the funds for private enterprizers, and for the small and medium companies in Bosnia-Herzegovina, will soon be granted.

[Memic] Do you believe in the reintegration of Bosnia-Herzegovina at all?

[Prlic] I do, if it is led wisely. If the present leadership remains, I do not. Our good intentions cannot be an alibi for mistakes that go against the concept of the preferred conclusion to the reintegration. The only concept is the Dayton agreement, which is appropriate and does not require further victims. Everything else that the great patriots, the media, and others are trying to do is counterproductive, or at least I think so.

[Memic] How much have the "great patriots" participated in the bloodshed so far?

[Prlic] They have survived. The dead, who have paid the greatest price for all of this, cannot talk; and the wounded and the dead should be the greatest concern to all those who perform any public function. However, we must not even think of any situation that could lead to any further bloodshed. I think that the peace can be financed on the basis of the peace agreement, and with the lasting support of the international community, in the future, but the greatest responsibility is upon us.

[Memic] What are your relations with Stjepan Kljujic, the legal and authorized representative of the Croatian nation in the Presidency?

[Prlic] We say hello (laughter).

[Memic] I have deliberately avoided asking you who is to blame for the destruction of the Old Bridge, but I would like to know whether the Croats will participate in its reconstruction.

[Prlic] I will not repeat my opinion about the Old Bridge. I have said all I had to say about it, and I do not want to quote myself. However, it is very logical that the Croats should participate in the reconstruction of the Old Bridge.

[Memic] Can the Federation exist without a united Mostar?

[Prlic] In the future, Mostar will remain a town whose population consists of Croats, Muslims, and others. However, I would like to say one more thing that will provoke many accusations, because many people will not understand it completely. But you just make sure to quote me correctly: According to the statistics, to the facts, Mostar is the only remaining multiethnic town in Bosnia-Herzegovina. Try to find another town in Bosnia-Herzegovina with a population consisting of two approximately equal numbers of people of two nationalities, of any two nationalities. Try to find a town where one nation does not have the absolute majority. How many towns can you name that have more than 10 or 15 percent of other nationalities? Nobody thinks about that.

[Memic] There are such towns, although not many. For instance, Tuzla.

[Prlic] Yes, but one nation has the absolute majority there. The relations are completely different with the minority of 5 percent and of 40 percent. There were no conflicts during the war in places where one nation had the absolute majority. The conflicts occurred in places where two nations were approximately equal in numbers. That is why Mostar is important to the Federation and everything else—it is an example of the possibility of organizing life in the Federation, despite everything that has happened, although the principles are different from those before the war. How many non-Muslim inhabitants do you think Sarajevo has? That is what the present situation is like.

[Memic] What is your opinion about the media in this region?

[Prlic] I do not observe the media too much, because I want to preserve my mental balance.

[Memic] A time will surely come when you will withdraw from politics. As you are a very successful economist, what will you do after you finish your job in politics?

[Prlic] I will work at the university. I am a professor at the Faculty of Economics in Mostar, and I lecture on two subjects: Principles of Economics and International Economics. That will be enough for me. I will probably also be a business counselor, because my greatest values are the people I know and appreciate, and who appreciate me.

[Memic] Are you in any business?

[Prlic] No, I am not, because I have no time for that.

[Memic] You are said to be the maker of the economic system of Herzeg-Bosnia.

[Prlic] I have done a great deal of work, and I am more proud of some economic solutions. I think a dozen

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

dissertations could be written about those experiences anywhere, at any faculty of economics in the world. They are unique in the world's history.

[Memic] Can those experiences from Herzeg-Bosnia be useful in the Federation?

[Prlic] Almost all the federal regulations made so far have been shaped according to those principles. During recent years, there has not been a similar state organization in this region and there will not be in the next, say, five years. When those regulations were first introduced in the Federation, we had problems with certain municipalities that were under military rule and sanctioned everything. That is why nobody will ever ask what happened to the money that Bosnia-Herzegovina received during that time. The donors know.

B-H: HDZ, SDA Fail To Hold Central Bosnian Canton Meeting

AU0805160096 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 8 May 96

[Report by Refija Kulasin—recorded]

[FBIS Translated Text] On 28 March, when the constitutive assembly of the central Bosnian canton was finally held in Travnik, it appeared that in this area, too, the federation—that is, the cantonal authorities—will finally truly spring to life. Until now, however, only six days before the expiry of the latest [word indistinct] deadline, the two attempts to hold meetings of the negotiating teams of the Party of Democratic Action [SDA] and the Croatian Democratic Community [HDZ] in the central Bosnian canton have failed. They are very important [words indistinct] the preparation for the forthcoming session of the cantonal assembly at which the government and its president will be elected.

The first meeting of the SDA and HDZ negotiating teams, which was attended by [words indistinct] from the bureau of the senior UN representative, was not held due to formal reasons, because the HDZ did not demonstrate sufficient interest and tolerance to wait for the beginning of the meeting, which had been delayed for 15 minutes at the request of the SDA. Not even all the attempts by [word indistinct] Smith that [word indistinct] succeeded [words indistinct] he personally mediated for the calling of today's meeting.

The representatives of the SDA of the central Bosnian canton arrived for the meeting on time this morning, however, the representatives of the HDZ country committee did not turn up, and they did not offer any explanation for their absence either.

Following yesterday's agreement on the division of ministries in Neretva Canton and the proposal for the appointment of the prime minister and the ministers, it was expected that the negotiating teams of the SDA and HDZ would not only meet in Travnik today, but would also agree on solutions. Although there is still time until 14 May [words indistinct] the remaining obligations regarding the formation of the canton, one must nevertheless wonder how [words indistinct] to deliberately fail to do what is truly possible [words indistinct].

B-H: Casado, Izetbegovic Disagree on Mostar Election Rules

AU0805191096 Hanau NOVA BOSNA in Serbo-Croatian 8 May 96 p 4

[Article by A.J.: "Refugees Cannot Be Deprived of the Right To Vote"]

[FBIS Translated Text] "Mostar will be the first city in Bosnia-Herzegovina in which the possibilities and achievements of democracy will be tested," Rikardo Perez Casado, EU administrator for Mostar, told us at yesterday's news conference. Casado opposed President Izetbegovic's demand made a day before that refugees and displaced persons from Mostar who are currently living abroad should also vote in the elections for the city authorities and the six municipalities in Mostar. Casado also discussed this subject with Jadranko Prlic, foreign minister of the Republic of Bosnia-Herzegovina, who demanded that the conditions for the regularity of the elections be secured. "The voting by refugees from Mostar abroad would cause problems of a technical and practical nature. The election decree for Mostar, accepted by both sides, specifies that only the citizens who were encompassed by the 1991 census and who will arrive in the city to cast votes on 31 May this year are entitled to vote. Agreements must be observed. They could be altered if both sides agreed, but I am afraid that it is already too late for that. This issue should have been raised earlier," Casado stated.

Fled Before Terror

Hans (?Birchler), legal advisor to the EU Administration, said that he did not know of any country in Europe in which voting in absentia was legally anticipated. He said that, of the 100,000 voters in Mostar, this being the number registered in Mostar in 1991, approximately a quarter of them would cast votes this time.

Bosniak representatives claim that the maintenance of the existing form of elections, determined by the EU, would mean the denial of a basic right of the citizens of Mostar—to elect and be elected—so that the position of refugees and displaced persons would be unequal to that of other citizens of Bosnia-Herzegovina, who will be

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

able to vote in the countries in which they are currently living, which was agreed upon in Dayton. The Bosniaks say that much of the prewar population of Mostar was forced to leave the city, whose eastern part was under Serb occupation in spring 1992 (until 15 June) and was heavily shelled by the Croatian Defense Council and the Croatian Army from 9 May 1993 until early 1994, which made the city (part of it on the eastern bank of the Neretva River and the part on the western bank close to the river) the second most devastated city in former Yugoslavia, after Vukovar, which was destroyed by the Serbs in the fall of 1991. At that time, ethnic cleansing was carried out in the Croat-held part of the city, and many Bosniaks were detained in concentration camps, being maltreated, killed, or used as human shields. So, of 130,000 Mostar inhabitants before the war, around 100,000 left the city, and today there are 60,000 people living there altogether, because, in addition to 30,000 natives, approximately the same number of refugees arrived there from eastern Herzegovina (Bosniaks who were expelled by the Serbs) and western Herzegovina (Croats who moved into the flats of the Serbs or Bosniaks who were expelled from the city).

To Alter the Rules

According to the existing rules, less than 25,000 people (adult citizens of Mostar in 1991 and 1996 [as published]) would be able to cast votes. This should induce the EU Administration to alter the electoral decree on Mostar, as it has altered its decrees many times so far, for example, the plan Koschnik presented at the Rome conference. At the time, one of the arguments of the Croat side was that a large district in the center of the town, whose inhabitants would not be entitled to take part in the elections, would mean the denial of that inalienable right to those people. The number of displaced persons from Mostar is greater than the number of inhabitants of the district. Luigi Vitorio (?Ferraris), deputy secretary at the Italian Ministry of Foreign Affairs, after he had talked with Casado and the Croat and Bosniak mayors of Mostar, Brajkovic and Orucevic respectively, announced the possibility of a partial alteration to the decree on elections. "Regarding the elections, there are some problems of a political nature, but I hope that they will be resolved soon enough for the elections to be conducted in a normal way," (?Ferraris) said.

B-H: Bildt Will Not Open 'Special TV Studio'

LD0805211096 Belgrade TANJUG in English 1826 GMT 8 May 96

[FBIS Transcribed Text] Banja Luka, May 8 (TANJUG)—International community's high representative Carl Bildt said here Wednesday he would not open any special tv studio for Bosnia-Herzegovina.

Bildt said after a closed-door meeting with political party representatives of both entities, Republika Srpska [Serb Republic] and the Muslim-Croat Federation, that equal access to existing media had to be secured as part of preparations for upcoming elections.

He said it was now necessary to found joint institutions, secure the return of refugees and the freedom of movement, resolve social problems and restore mutual confidence.

The closed-door meeting was attended by representatives of a score of Serb and Muslim parties.

No Croat parties attended.

B-H: UNHCR's Ogata 'Cautious' About 'Early' Refugee Return

AU0905092196 Paris AFP in English 0903 GMT 9 May 96

[Report by Peter Cunliffe-Jones]

[FBIS Transcribed Text] Sarajevo, May 9 (AFP)—The UN refugee agency is soon to identify communities in Bosnia to which hundreds of thousands of Bosnian refugees can start to return, UN refugee chief Sadako Ogata said here Thursday [9 May].

Germany, which is host to over 300,000 of the more than one million Bosnian refugees, had said it would start repatriations on July 1 but on Friday announced it was postponing the decision.

Speaking to reporters after breakfast with NATO's top commander in Bosnia, U.S. Admiral Leighton Smith, Ogata, the UN High Commissioner for Refugees, said she was "cautious" about an "early" return of refugees from the three-and-a-half year conflict here.

"I have told the countries that have hosted a lot of refugees that return depends very much on two factors, that is one, obviously, the situation on the ground...and then the availability of accommodation," she said.

"I'm not saying that they have to wait until the whole villages are reconstructed," she added, noting that it was up to the Bosnians to "come and rebuild their own communities."

But unless safety and housing are there "it is very, very unlikely that the return would add to the process of building a more normal life," she said.

"So I am cautious, and what I am trying to do is identify communities where enough confidence seems to be, and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

then also enough stockpiling of goods and so on, so that they can come back," she said.

Ogata is on a six-day tour of Bosnia to assess the needs of the 2.4 million refugees and displaced people driven from their homes by the Bosnian conflict.

So far, she has toured areas in northern, central and eastern Bosnia, notably meeting Serb officials in Banja Luka and Moslem officials in the central town of Zenica.

In Banja Luka Tuesday, Ogata announced that UNHCR buses would start running regular services linking districts in the Moslem-Croat federation and Republika Srpska, the two bodies that make up post-war Bosnia.

The first of these services, designed to help rebuild links between the former enemies, started Wednesday between the Sarajevo suburb of Ilidza and the Serb-held district of Lukavica.

She also announced that the refugee ministers of the federation and the Serb republic had signed an agreement, reiterating committment to freedom of movement around the country.

Smith said that the NATO-led peace implementation force (IFOR) was doing what it could to support freedom of movement.

He said he was "particularly glad" Ogata "was able to have an agreement drafted between the parties."

Smith said IFOR was itself conducting a survey "to see how much traffic goes back and forth on a routine basis" between the two entities in Bosnia.

Asked if it was realistic to expect Moslems to return to Serb held areas, Smith, replied, "Not now, but I think it's building.

"I think we all have to recognise that the situation that exists today is far, far better than the situation that existed six months ago."

Ogata said: "It depends on how near a future you are talking about."

"Return is not just Moslems going back to Serb areas. Return of Moslems to Croat-held areas within the federation is probably just as difficult, and so is Serbs going back to areas in the federation which they would like to," she added.

B-H: AFP Reports POW's Released on 8 May

AU0805200396 Paris AFP in English 1950 GMT 8 May 96

[FBIS Transcribed Text] Sarajevo, May 8 (AFP)—Rival factions in Bosnia released six prisoners of war late Wednesday after a ruling by the UN war crimes court in The Hague, a top government official said here.

The Moslem-Croat authorities released two Serb prisoners, Slobodan Sordic and Mile Maric, after the International Criminal Tribunal on former Yugoslavia ruled they should be freed, Amor Masovic, head of the state commission on war prisoners, said.

The two were driven to the Bosnian Serb stronghold of Pale 20 kilometres (12 miles) east of Sarajevo.

The Serb authorities in Pale then released three Moslems, Amir Dizdarevic, Haris Kalamujic and Enes Starhonjic (eds: correct), and a Bosnian Croat, Damjan Lukac, who were driven down to Sarajevo, AFP correspondents noted.

"It is unbelievable," said Dizdarevic, greeted by his joyful relatives after being held for 10 months in the Serb-held east Bosnian town of Foca since he was captured in the Treskavica mountains south of Sarajevo in July 1995.

Under a deal worked out last month, the authorities in Bosnia agreed to release their last remaining prisoners of war, accused of war crimes, if the UN war crimes court rules there is no case against them.

Masovic, who arrived at the Bosnian presidency to welcome the prisoners back to Sarajevo, said the Serbs had still reneged on a commitment to release a fifth prisoner, Mile Knezevic.

"Unfortunately there are only four here, which means that the Pale regime is once again not respecting what has been agreed," he said.

Masovic said Sarajevo is still holding nine Serb prisoners of war whose case files have been sent to The Hague.

Bosnian Serbs are still holding seven prisoners, two Moslems and five Croats, he said.

B-H: Sarajevo Bus Makes Return Trip 'Without Incident'

AU0805175296 Paris AFP in English 1728 GMT 8 May 96

[FBIS Transcribed Excerpt] Sarajevo, May 8 (AFP)—The first regular bus service linking Serb and Moslem suburbs of Sarajevo began Wednesday, a spokesman for the UN High Commissioner for Refugees (UNHCR) said.

A UN bus made the first return trip between the Moslem-held Sarajevo suburb of Ilidza and the Serb-held district of Lukavica, Kris Janowski, spokesman for the UN refugee agency, said

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The initiative, announced on Tuesday night in the northwest town of Banja Luka by UN High Commissioner for Refugees Sadako Ogata, is meant to encourage freedom of movement between the two bodies which make up Bosnia-Herzegovina—the Republika Srpska [Serb Republic] and the Moslem-Croat federation.

The first bus had "several passengers" and made the trip without incident, Janowski said.

"We are trying to do everything we can to help freedom of movement," he added. [passage omitted]

B-H: Kasagic Comments on RS Future, Relations With Milosevic

AU0805161296 Belgrade NASA BORBA in Serbo-Croatian 8 May 96 p 3

[Report by BETA: "If We Demand More Than Dayton, We Stand To Lose Everything"]

[FBIS Translated Text] Banja Luka—Serb Republic [RS] Prime Minister Rajko Kasagic told BETA that he believes that in the future, people in the former Yugoslavia "will live as they do in the EU." The RS prime minister assessed that "only freedom of movement will secure progress for the population," and that the basis for the people's survival in the area and for the restoration of trust "lies in the economy. The economy will secure freedom of movement, and the RS can only prosper by opening its borders, linking up with the world, and accepting European and international standards."

The RS prime minister sharply condemned the statement made by Bosnian President Alija Izetbegovic that "all of Bosnia-Herzegovina will be liberated." "The Serbs believe that all of Bosnia is free, and that the RS has its position, rights, and obligations within Bosnia-Herzegovina," Kasagic said. He assessed that the "fragile peace in Bosnia is becoming stronger daily with the help of the Implementation Force [IFOR] and the international community," and added that IFOR should be "used to restore trust among ethnic groups, which means establishing economic ties, and securing the free flow of capital, labor, and citizens." He stressed that if the RS insists on demanding more than what was provided by the Dayton accords, it could in the end lose everything, which is what happened to the Republic of Serb Krajina when it rejected the Z-4 plan.

Kasagic assessed that around 30 percent of the Muslims and Croats who fled Banja Luka during the war would return to the town. He added that the RS's priority was the reestablishment of the electricity network, which would enable a normal supply to all parts of the RS. "This can be done by establishing a single electricity network between Kakanj, Tuzla, and Banja Luka."

The RS prime minister said that after the Belgrade-Zagreb highway is reopened, all freight traffic between the RS, Belgrade, and Zagreb would be transferred to that route, "as now is the time for businessmen, who did not wage war and who thus have nothing to fear. I expect that Croatia, the RS, and Yugoslavia will agree on this. I spent a lot of time working with Croatian representatives on reopening the route from the RS via Gradiska to Zagreb, as this is the route via which the West is easily accessible." Kasagic also said that the RS government had asked High Commissioner Carl Bildt's Office to establish railroad traffic between Banja Luka, Tuzla, Zvornik, and Belgrade. He added that the Federation, as well as the western part of the RS, is interested in this railroad line.

When asked how he saw the RS's future, as two of its main leaders are being boycotted by the international community, Kasagic replied that the boycott "is an obstacle to the RS," but said that he hoped that "the world will realize that they came to the helm of their people to defend them from aggression." Asked whether the RS Assembly had recently passed a decision according to which President Karadzic was the only one with the right to authorize negotiations with international community representatives, Kasagic said "that is not quite what the decision is about."

Questioned about relations with Serbian President Slobodan Milosevic, Kasagic said that Milosevic had managed to establish extremely good relations with many politicians worldwide. "In my assessment, Mr. Milosevic is one of the most able politicians in the Balkans.... I have noticed that President Milosevic never moves backward but always forward in solving new problems," Kasagic said in the interview with BETA.

B-H: Serb Republic's Plavsic Criticizes Bildt, 'Servile' Serbs

AU0805123596 Pale JAVNOST in Serbo-Croatian 4 May 96 pp 11-13

[Interview with Pale Serb official Biljana Plavsic by Kolja Besarovic; place and date not given: "People Are Keepers of the State"]

[FBIS Translated Excerpt] Biljana Plavsic, vice president of the Serb Republic, is one of those Serb politicians who very frequently do not hesitate to speak their own mind on many current "hot" issues. It is this quality of hers, as well as the current situation in the Serb Republic, that induced us to ask Mrs. Plavsic finally to give our paper her views on certain issues.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Besarovic] I propose, Mrs. Plavsic, that we start this interview with the current situation in the Serb Republic. How do you assess the situation?

[Plavsic] The situation is better than during the war—since nothing can be worse than war—but it is still very complex. The Dayton agreement has been signed and we have to abide by it, but the problem is that the people who have been tasked with implementing the Dayton agreement—and here I am referring to Carl Bildt and his so-called circle—have also been given another job, which they are obviously trying to do.

[Besarovic] To recreate a unitary Bosnia?

[Plavsic] Yes, to recreate a unitary Bosnia. According to Dayton, we have the right to our borders and the agreement itself does not impose such serious obligations on us as these people implementing the peace agreement are trying to place on us. They are setting some almost unacceptable tasks before us.

[Besarovic] I suppose you are referring to Carl Bildt, the so-called civilian governor of Bosnia-Herzegovina?

[Plavsic] Yes, him and his associates. They have obviously been given the task of recreating a unitary Bosnia during the implementation of the Dayton agreement, but at the same time they are facing a problem with the deadlines, that is, they lack the time effectively to implement what is planned. It is well-known by when Mr. Bildt is supposed to implement the planned tasks and, of course, when things are done in a drastic way and within a very short time, then there are simply things that cannot be implemented because they are not normal. For example, the things that have been happening along the borders of the Serb Republic, I mean the onslaught by Muslim groups, these things are obviously placing a question mark over our country's borders. I do not know whether the Serbs, by their attitudes and nature, could retaliate against the Muslims in the same way with such onslaughts. I do not think so and they are obviously not doing it. The Muslims must have tried, but probably with poor results, to expand territorially in some areas to the detriment of the Croats. My impression is that the Muslims, who, if we consider the territory that belongs to them, have a relatively large population in a small space, are in search of living space of their own. They are doing so in a way that we cannot accept and they know that they cannot get this from the Croats. Why? Well, because the Croats have shown them in a very dramatic way that they cannot succeed, so now they are not even trying with the Croats. Now they have turned exclusively toward us, that is, toward the territory of the Serb Republic.

[Besarovic] Can the Serbs resort to "drastic measures" and so effectively counter the Muslim ambitions?

[Plavsic] The Serbs might be able to resort to drastic measures to defend their territory, but they are certainly not able to get into Muslim territory, which they should be able to do in accordance with the Dayton agreement on the freedom of movement throughout Bosnia-Herzegovina and the return of the refugees to their prewar homes. If the Serbs could do something like that, the Serb population would certainly have stayed in Sarajevo. That is why I think that the situation is very difficult. What is positive for us in the Dayton agreement is that it has separated the two entities. The advantage here for the Serbs is that we are alone on our territory, while there are two obviously conflicting interests in the Federation, I mean the interests of two nations. [passage omitted]

[Besarovic] There is this impression that certain forces in the Serb Republic—and let us add that there are supporters of such a course even in positions of power—believe that only through unilateral optimal cooperativeness, yielding to and ingratiating ourselves with the Western occupying forces, can we improve their attitude toward the Serbs and thus improve the currently unenviable position of our young state. Do you agree with this?

[Plavsic] No, we must not give in an inch more than we have to by the Dayton agreement. After all, this servile cooperativeness is humiliating for the Serb nation, it goes against the dignity of the Serb nation, and, in my view, it does not constitute very civilized behavior, either. An agreement is an agreement and the Dayton agreement, such as it is, is an agreement that we have to abide by. However, when during negotiations certain statements are made that not even the opposition—Bildt's team, in this case—is asking for or expecting, then such behavior, I think, makes even them disgusted. Of course, they will not show it openly, since they need such "cooperative people" on our side.

[Besarovic] What statements by Serb negotiators are you talking about?

[Plavsic] Well, let me tell you. There were many such statements, as you know yourself. For example, when the person spoken to is told that he will be "an honorary citizen of the Serb Republic," and suchlike. Please, spare me such things.

[Besarovic] Were these statements by top-ranking officials of the Serb Republic?

[Plavsic] Yes. They are in poor taste, things like this. This sort of thing disgusts people of certain standards. That was a redundant sentence and the behavior was

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

unnecessary, and such people might be accepted by those who have certain jobs to do. They will therefore accept such people to do their jobs for them, but they will not respect them at all.

[Besarovic] The West and its representatives, such as the already mentioned Bosnian "civilian governor" Carl Bildt, are not even hiding the fact that they are relying on the divisions in the political and state leadership of the Serb Republic. Here, and of course not incidentally at all, they are forcing the cooperation with—as they like to stress—"moderate people such as Prime Minister Kasagic" versus "the hardline isolationists from Pale." Do divisions and rifts really exist in the Serb Republic leadership?

[Plavsic] By stressing the misunderstandings in our leadership, they find it easy to explain away their own difficulties and failures. When they find that things are not going smoothly, they immediately say it is because of "the hardline Pale leadership." On the other hand, we have some people whom they find cooperative and, of course, such people for them "have a future," to put it that way. I would really be deeply concerned, if I were to be branded like that. [passage omitted]

[Besarovic] Can the Serb Republic state, that is, its authorized controllers and observers, prevent possible attempts to rig the results of the elections?

[Plavsic] We will do our best to check the count closely. You see, the people that want to twist the results of the elections technically to their advantage are not from this region. They do not know the psychology of the people. As far as I can understand, our people are dissatisfied with just about everything. Things have been happening on the ground, but the current authorities have been the least to blame for them. It was the real situation. Let me just mention than 400,000 people have left their homes and some have moved up to three times. That in itself is enough to make people bitter. However, I have come across great maturity in thinking, not so much among intellectuals as ordinary people. [passage omitted]

[Besarovic] Surely, one of the potential election handicaps for the Serb Democratic Party [SDS]—and we believe it is not alone in this—are the imposed Dayton-Hague regulations, which deny President Karadzic the right to run in the elections. Has the Serb Republic leadership made a final decision as to whether he will run or not?

[Plavsic] No, we have not. The decision on that will probably be made at the SDS assembly after the party elections. I really cannot tell you at this stage whether or not President Karadzic will run.

[Besarovic] If President Karadzic does not run, among the SDS candidates mentioned in public, your name seriously comes up. If you are put forward, would you agree to run for president?

[Plavsic] If I took it to be an order from the party and if I saw that there was no other solution, then as a disciplined person I would have to accept it. However, my plan was to leave all this when the war is over.

[Besarovic] Is the war over?

[Plavsic] I was in Vlasenica recently and I heard the people mutter: "This is deceptive peace." That is putting it very well. [passage omitted]

[Besarovic] In the Serb Republic so far not even the minimum interparty consensus has been reached on national and state interests. The opposition parties, particularly the Socialist Party of the Serb Republic, have been accusing the ruling party of causing incidents and obstructing their promotion rallies. Can you tell us more about these opposition accusations and about the possibility that the SDS might initiate the signing of an interparty agreement on undisputed state and national interests?

[Plavsic] I do not know whether I can be objective about this, but, believe me, every time the situation is bad, I try to distance myself from it and view the problem from afar. I am very critical about the party to which I belong and I know all its good sides and faults. The fact that I belong to this party means that I believe that the SDS can best protect the Serb national interests at the moment. The way it is behaving now shows that this is its only aim. The way the other parties are behaving shows that their aim is to get into power. I, for example, like the Radicals a lot, and I think that the Serb Republic would be well off in their hands. But when you talk to them, even to their leaders, you see that all they want to do is get into power. That may be normal.

[Besarovic] It is logical. All political parties strive to be in power.

[Plavsic] I am not condemning this; I am just analyzing the situation. Many people in the SDS are tired, they feel physically and mentally exhausted, and they feel that they need a break for a while. [passage omitted]

[Besarovic] The war is over and the sanctions have been at least temporarily suspended against the Serb Republic and the FRY. In these changed circumstances are there any encouraging signs of a renewed strengthening of state and other ties between the Serb Republic and the FRY?

[Plavsic] It is so sad that such a question should be asked. Is there anything more natural than that

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

those ties should operate? What happened was horrible, but it happened. What should have been done was, when the moment came, to establish normal relations immediately, of the kind that should exist within the Serb national corpus, and forget that horror as soon as possible.

[Besarovic] Have such normal relations been established?

[Plavsic] I do not think so. Not according to my criteria and my criteria are, once things happen, to judge whether or not they are natural. I will tell you that, as far as those criteria are concerned, Tudjman has been acting completely naturally. He protected the Croatian people in Bosnia-Herzegovina and sent his army in. Thanks to this army, a good part of the Serb Republic, an ethnically pure Serb part, is now in the hands of our enemies.

[Besarovic] He had the support of the key world powers for the engagement in Bosnia.

[Plavsic] Yes, but I will also tell you that Tudjman would have done it without this support, too.

[Besarovic] The Dayton agreement does not explicitly approve of it nor does it forbid the establishment of firm state, political, cultural, and economic ties between the Serb Republic and the FRY. Now that the sanctions have been suspended, have there been talks at the leadership level and have any concrete agreements been reached?

[Plavsic] Thank God it is not as it was during the war. The border can be crossed. I have crossed it now for the first time without any permits. I would like other things to go well, even if I never cross the border again, if that is so important. I hope that things will develop in the right direction, although such relations are the result of confused priorities in the heads of some people. It is very important for the nation to survive, particularly when the nation is under attack from all sides. If we do not stick together, we will perish. The national interest takes priority over ideology, whether society is more socialist or capitalist. May God help us come to a situation where we are dealing with such a problem. [passage omitted]

[Besarovic] There has been information, or speculation, recently that Kasagic's cabinet is to be reshuffled, that is, that so-called hardline elements (ministers and deputy prime ministers) are to be removed. Is this, as we believe, just speculation leaked from Bildt's circle or are there plans for such a reshuffle?

[Plavsic] Believe me, I cannot understand how a government could be reshuffled under Carl Bildt's influence.

[Besarovic] So is this just speculation, perhaps leaked from Bildt's circle as a hypothetical possibility.

[Plavsic] They would like all sorts of things, but they have to be shown what they can and cannot do. Even the Dayton agreement does not give them the right to meddle so deeply into decision making.

[Besarovic] But they are trying in practice.

[Plavsic] They are trying all sorts of things in practice. They are establishing contacts on the local, official, and semiofficial level. The fact is that they appear very disorganized. They have decided to use organized disorganization here, so as to drive the Serbs crazy. This can be countered only with a well-organized approach to them. They should announce the topic for discussion and then we will have a body that will know which of our representatives can make contact with them, depending on the issues.

B-H: Karadzic Views Survey Work, Aid To Build Serb Sarajevo

LD0805201696 Pale Srpska Televizija in Serbo-Croatian 1800 GMT 8 May 96

[Interview with Bosnian Serb Republic President Radovan Karadzic by an unidentified correspondent in Sarajevo on 8 May—recorded]

[FBIS Translated Excerpt] Serb Republic President Dr. Radovan Karadzic, People's Assembly Speaker Momcilo Krajisnik, and ministers in the Serb Republic government were present today as survey work and division of plots was carried out in Pale for building Serb Sarajevo. [passage omitted]

[Correspondent] Mr. President, we are standing here in a field, but the experts are measuring and working. Can we expect to see a major building site here in the near future?

[Karadzic] I believe that very shortly after this [word indistinct] a road will be built and plots distributed, and I hope that our enterprising people will begin work straight away. And as soon as they are given the numbers of their plots and access to cheap building materials, I believe they will get down to construction work.

[Correspondent] Do you know whether the international community will give us any financial assistance, at least in the initial phase of the work?

[Karadzic] So far, the international community has been trying to expel us from Sarajevo and Brcko and is not willing to invest in Sarajevo or Brcko. This is a clear indication that we are heading in the right direction in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

wanting to keep control of both Sarajevo and Brcko. But I think that the situation is changing in this respect and the international community will respond positively to our determination to survive. In any case, there are other sources—direct funds, investment from abroad, and so on, which will not be dependent on political conditions and I believe that we will get what we want in the end. [passage omitted]

B-H: Daily Says NATO Used 'Radioactive Weapons' in Bosnia

AU0705174696 Belgrade POLITIKA in Serbo-Croatian 3 May 96 p 14

[Commentary by Radovan Pavlovic: "Poisonous Gases in Bosnia"]

[FBIS Translated Text] At first glance, military operations Desert Storm and Decisive Response [odlucan odgovor] have hardly anything in common. "The licking" of the Iraqis and the bringing of the Bosnian Serbs to their senses differed in the objective, the use of military hardware, as well as the final effect.

A little more than five years ago, when the action of the Western allies in the Gulf started, the multinational force under the command of the Pentagon's military strategists inflicted enormous losses on the Iraqi Army and also the whole of Iraq. In the few days of January 1991, Iraq was transformed into rubble. More than 800 fighter-bomber planes and cruise missiles took part in the action of Kuwait's liberation and the breaking of Husayn's army. Although the military installations were the targets of the allied air force and rockets, numerous civilian installations—factories, schools, hospital and housing—also perished in the Desert Storm.

According to some data, in the 43 days of war, the squadrons of powerful bombers dropped about 124,000 metric tons of explosives and steel on the targets in Iraq. The tragic statistics were never officially unveiled.

Five years after the decisive response to the Iraqi invasion of Kuwait, the bombs, mines, and grenades left behind are still claiming victims, even in the remotest of provinces. The Iraqi authorities complain that the war is taking its toll even in peacetime in the form of mysterious, so far unknown, diseases.

Outcome

All wars resemble one another regardless of their specific goals, scope, and outcome. Less than a year ago, the military allies under carried out operation Adamant Response the NATO auspices in an attempt to punish the Serbs for destroying Sarajevo. The action of the Western military alliance did not have the same dimensions as the one in the Gulf.

According to the information of the Serb Republic Army command, in the two weeks of the bombing, the NATO air force, with the artillery support of the Rapid Reaction Force, delivered more than 10,000 metric tons of the most lethal explosives on the Serb Republic's territory.

In the first military operation since its formation, NATO engaged more than 400 most-modern fighter-bomber planes, various types of bombs and rockets, and even the Tomahawk cruise missiles. On this occasion, too, the allies sometimes missed their targets and, apart from the important military installations, also hit civilian targets—houses, hospitals, nurseries, factories, and bridges. One hundred and fifty-two civilians were killed and 273 sustained various degrees of injury.

Projectiles

It would be superfluous to expound on the effect of the aircraft bombs, rockets, and cruising "axes." They left behind devastation, craters, fear, cries...which did not surprise the military experts. During the bombing campaign, however, it was noticed that one type of weapon "behaved" unusually and unpredictably. The Serb Republic Army military experts observed that NATO aircraft pounded targets with highly effective projectiles of great penetrative power and weight. That is why they suspected that the projectiles used did not come from the range of conventional ammunition.

From the crime department in Bijeljina, we obtained samples of the projectiles collected after the bombing and the strafing of several areas in Hadzici and other places in the Serb Republic.

The measurement of the remains of these unusual projectiles established that, in the attacks on civilian targets, the NATO forces used special 30-mm ammunition that was fired from seven-barrel guns affixed atop A-10 aircraft. This special ammunition is manufactured by Airjet Ordnance Company USA [name as published] and is intended for the destruction of the armored vehicles, concrete bunkers, and other fortifications. It is fired from Gau/A Gelting guns [name as published].

Bearing in mind the composition, the mass, and the speed, the projectile acts destructively: It can penetrate a solid 57.5-mm thick steel plate, which is almost incredible. Once it passes through the plate, it creates a so-called plug that bounces off at a speed exceeding the residuary speed of the projectile. These plugs are extremely effective.

Uranium

Why are these projectiles so destructive?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

On the basis of the expert analysis, it was concluded that the core of the projectile is predominantly uranium, apart from a relatively low presence of iron, titanium, nickel, zinc, and copper. Physical, chemical, and mechanical examination proved that the casing of the bullet is made of an aluminum alloy, while the rings [prstenovi] are made of a polyamide plastic substance.

This information hardly means anything to an ordinary reader, but it speaks of very lethal ammunition to an expert. The second part of the analysis, however, will doubtlessly make more sense, even for the common reader. Namely, the military experts established that the core of the cartridge of this projectile was irradiated; to be precise, the core of this projectile of great density, hardness, and penetrating power was made of the depleted uranium U-238 alloy. When the bullet hits the obstacle, the uranium is activated and, during the burning process, substances that are not merely radioactive, but also toxic, are released.

The military experts conclude in their report that the core of the projectile was manufactured from the nuclear waste that occurs in the process of manufacturing nuclear fuel either for military or civilian purposes. That is why it was concluded that a form of radioactive weapons were used in the bombing of the Serb positions. The use of such arms is inhumane, because of its toxic and radioactive effect on the people, as well as the pollution of the environment.

As it is known, uranium is a highly toxic element, and its derivatives are radioactive. This toxic substance causes dermatitis (skin inflammation), kidney damage, and acute necrotic artery lesions [nekroticne arterijske lezije] (that is, damage of the blood cells), while uranium and its salts can even cause death. The inhalation of small particles can cause lung cancer.

The investigation also showed that, in their retaliatory action, NATO units also used poisonous gases, primarily to temporarily disable and exhaust the manpower and weaken combat level and morale. The officers testify that, in some areas, the Serb soldiers acted very strangely: After the bombing, individual units would become apathetic, soldiers would be inert and unmotivated for the struggle; they were oblivious to everything that was going on, and they could not even comprehend who was their adversary, what they were fighting for, and against whom.

Consequences

Five years after Desert Storm, it was discovered that allied troops, as well as their offspring, are suffering from Persian Gulf Syndrome. Thousands of Persian Gulf veterans in the United States and Britain have fallen ill with a mysterious disease. It was their own arms, bombs, and grenades that were reportedly filled with depleted uranium, as well as the use of other chemical and biological agents, that made them sick.

In Britain, it was reported curtly that about 700 soldiers who fought in the Gulf encountered difficulties. Persian Gulf Syndrome is manifested by—insomnia, muscle trouble, various tumors, and paralysis. Physicians suspect that these are not merely the illnesses caused by the use of chemical agents (regardless of all protective equipment, it was impossible that a certain number of soldiers would not come into contact with the gases intended for the enemy) but also partially by the intake of the antidotes against the biological and chemical agents. Analyses show that the consequences are also being felt by the children of the veterans, and several cases of newborns with severe infirmities have been registered.

Since it appears that the dangerous arms were also experimented with in Bosnia, we expect to learn about the consequences in a year or so.

B-H: IFOR Confirms Death of Soldier Near Visegrad on 7 May

AU0805140396 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 8 May 96

[Report by Fuad Cibukcic]

[FBIS Translated Text] At today's news conference in the Sarajevo Holiday Inn, IFOR [Implementation Force] spokesman Max Marriner said that an IFOR soldier had died in Visegrad yesterday. There is no evidence of murder or any form of hostility. But he did not want to confirm that it was a natural death, either.

Mine clearing in all sectors will be one of the main tasks in the period ahead, Marriner said. In connection with this, he said that equipment for detecting and clearing mines is arriving. The donators are various agencies from Europe and the world. The last batch was donated by the EU.

IFOR has also started a program of education in schools about the danger of mines and other explosive devices.

Alexander Ivanko, spokesman of the international police forces, stated that the number of Serbs crossing the interentity line has increased. The purpose of these crossings is to visit cemeteries in the Ilidza, Ilijas, and Hadzici area.

Chris Janowski, spokesman of [words indistinct] UNHCR Commissioner Sadako Ogata was given permission by the prime minister of the Serb entity [words indistinct] the first bus service line is Ilidza-Lukavica.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The first trip took place yesterday without any problems. There were about 10 passengers in the bus. Buses on this line will be running at 1000, 1200, 1400, and 1600 every day.

In the next few days [words indistinct] Janowski said that that was the way to establish some kind of communication and that in the future the buses will be running without any (?escorts). However, they will be painted white and will bear UNHCR number plates for security reasons.

Colum Murphy, spokesman for the high representative, today cited a statement by Mr. Bildt in an interview to CNN and REUTER, mentioning the possibility of the reintroduction of economic sanctions, under certain conditions, on the Federal Republic of Yugoslavia and the Serb entity.

Mr. Murphy said that this was one of the topics of discussion during the meeting between Bildt and Milosevic in Belgrade yesterday.

B-H: Shots Fired as Serbs Prevent Refugee Visit Near Maglaj

AU0905104296 Paris AFP in English 1019 GMT 9 May 96

[FBIS Transcribed Text] Tuzla, Bosnia-Herzegovina, May 9 (AFP)—Shots were fired Thursday [9 May] when a group of Moslem refugees clashed with Serb civilians near a northern Bosnian town, a U.S. military spokesman said.

U.S. Army Captain Robert Gonsales said two shots were fired after a busload of around 50 Moslem refugees was stopped by about 60 Serbs on the former frontline near the town of Maglaj.

The U.S. military spokesman said he was not aware who had fired the shots nor if anyone had been injured.

The Moslems were attempting to return to the Serb-held village of Garnic to visit family graves. They were stopped near the town of Rjecica Donja, Gonsales said.

The spokesman said officials from the UN police and Serb police were at the scene.

Troops from the Nordic and Polish units of the NATO-led peace implementation force (IFOR) had been dispatched to the site, he added.

No further details were immediately available.

B-H: Serbs Set Up Police Checkpoint at Crossing in Brcko

LD0805170696 Belgrade SRNA in Serbo-Croatian 1122 GMT 8 May 96

[FBIS Translated Text] Brcko, 8 May (SRNA)—A police station was set up in Brcko today with the aim of controlling the state border crossings. The government of the Serb Republic made the decision to regulate the traffic of civilians and commodities across the bridge on the Sava [river], which links the Serb Republic with Croatia.

The reconstruction of the bridge was carried out at IFOR [Implementation Force] expense and until now was only used by IFOR vehicles. The government will fix a date for the opening of this border crossing to civilian traffic by a separate decision. The police station will be also involved in border activities connected with the port and railway station in this town.

According to unofficial reports obtained by SRNA, civilians will need passports to cross the border.

B-H: Serb, Muslim Leaders Discuss Reopening Roads

LD0805184696 Belgrade SRNA in Serbo-Croatian 1652 GMT 8 May 96

[FBIS Translated Text] Banja Luka, 8 May (SRNA)—Reopening the roads passing through Croatia and the Muslim-Croat federation is a priority for the Serb Republic, Rajko Kasagic, prime minister of the Serb Republic, said after a meeting with Muslim Foreign Minister Jadranko Prlic.

Kasagic said the talks focused on ways of eliminating the problems in connection with the implementation of the peace agreement in the Serb Republic and the Muslim-Croat federation, and on the privatization process.

Muslim Foreign Minister Prlic said that a "high degree of consent" was reached, adding that the interests of the Serb people were acknowledged as well as those of the other people living in the former Bosnia-Herzegovina.

Speaking about the importance of reopening the Belgrade-Zagreb highway, Prlic said that it "offers a future for all the people in the area."

B-H: Elisabeth Rehn Says Serbs 'Unjustly' Ignored

LD0705223896 Belgrade SRNA in Serbo-Croatian 1745 GMT 7 May 96

[FBIS Translated Text] Banja Luka, 7 May (SRNA)—The mass graves in Mrkonjic Grad are firm evidence of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

a terrible crime in which even women, children, and the elderly of Serb nationality were its victims, Elisabeth Rehn, the UN human rights rapporteur, said in Banja Luka today.

"I have met people of Muslim nationality who are living in peace there and they told me that they have no problems except the hardship caused by the war," she told a news conference.

Rehn warned that "unjustly" the world and Europe "are paying more attention to the Muslim than the Serb side," adding that this could "widen the economic gap between the former warring sides."

The special human rights rapporteur appealed to the media in the Serb Republic and the Muslim-Croat Federation to "provide maximum access to all political parties," and insisted on "full freedom of movement and electoral rights for everyone."

During her two-day visit to Banja Luka and the Krajina region, Elisabeth Rehn had several meetings with Serb Republic politicians and local officials, representatives of religious communities, and national minorities. She also visited Mrkonjic Grad today.

B-H: Hague Trial of Serb War Crime Suspect Enters Third Day

AU0905103196 Paris AFP in English 1011 GMT 9 May 96

[FBIS Transcribed Text] The Hague, May 9 (AFP)—The trial of Dusan "Dusko" Tadic, a Bosnian Serb accused of crimes against humanity, entered its third day Thursday [9 May] before the UN war crimes tribunal in The Hague.

Tadic is accused of having killed four Moslems in the camp of Omarska in western Bosnia and nine others during an operation against a Moslem village. He is also accused of having tortured 18 Moslems held in a Serb prison camp.

On the trial's opening day Tuesday, the court heard a UN prosecutor outline, in graphic detail, the charges of murder and torture against the 40-year-old Tadic, a cafe owner.

On Wednesday British expert Andrew Gow gave a historical overview of the war in the former Yugoslavia, charging that Serbian President Slobodan Milosevic had helped ignite the four-year conflict with his dream of a "Greater Serbia," under which Serbs would be united under one flag.

Gow, who took the witness stand for a total of eight hours, said Milosevic backed Serb paramilitary groups generally held responsible for attacks against non-Serb civilian populations in Croatia and Bosnia.

Tadic's trial is the first of its kind since the Nuremberg trials of Nazi leaders 50 years ago.

After Tadic's hearing on Thursday, the tribunal will hear Zejnil Delacic, a Bosnian Moslem accused of war crimes, for the first time.

Delacic, 48, was formerly in command at the Celebici camp in central Bosnia and is accused of allowing the murder, rape and torture of Serb prisoners. He is not accused of direct involvement in the crimes.

Delacic, who will enter his plea on Thursday, was arrested by German police in March. He was transferred to The Hague on Wednesday and has been held in prison in nearby Scheveningue.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Croatia: Commentary Views Reopening of Highway as 'Victory'

AU0805205096 Zagreb VJESNIK in Serbo-Croatian 8 May 96 p 1

[Commentary by Vinka Drezga: "Croatian Border"]

[FBIS Translated Text] U.S. General Klein has kept his promise and, despite a minor delay, has begun practicing the things for which he came to Croatia in the first place. The opening of the Zagreb-Belgrade highway is the first concrete step toward the reintegration of the Croatian Danubian area into the Croatian state-legal system. Reconstruction of 7 km of the former Brotherhood and Unity highway through eastern Slavonia is complete, and civilian traffic—having been announced since January—can resume, initially, of course, under the supervision of the international police troika.

Officially, this ceremonial opening should symbolically give a new impetus to the normalization of relations between Croatia and Serbia. The meetings between the two states' deputy foreign ministers scheduled for next week and the exchanges of expert groups on economic and social issues will take place in a different and hopefully more constructive atmosphere. In the international context, however, before the war, this highway represented an important communication link between Central and Southeastern Europe. It will most probably be so even after 7 May.

If we leave aside abstract debates, and also those on regional and other sorts of integration that are frequently burdened with various interests, a question remains: How are we supposed to accept the erstwhile aggressor as a more or less normal neighbor?

If history teaches us anything, it is that states at war, meaning the victim and the aggressor, still must lay down arms in the end and more or less normalize relations. Particularly if they are neighbors. As Bismarck once put it, geography is the only constant in foreign politics. If this applies to war, then it certainly applies to peace.

Therefore, even Klein himself will recall the recent past and the reconciliation of the European peoples after World War II.

Of course, at this moment, one must not forget the victims of Serb aggression. However, the path of normalization that, hopefully, resumed its course today should guarantee first and foremost that the offspring of those victims will never experience the fate of their fathers and grandfathers and that Croatia will never again experience a Serb aggression.

Even if we wanted to, we could not transfer the Berlin Wall to the easternmost Croatian border. Nevertheless, the highway does represent a victory—that Croatian border posts and Croatian police will soon be standing there.

Croatia: Weekly Accuses Government of 'Totalitarian Methods'

AU0805150396 Paris AFP in English 1444 GMT 8 May 96

[FBIS Transcribed Text] Zagreb, May 8 (AFP)—A Croatian satirical paper Wednesday accused the government of employing "totalitarian methods" to suppress press freedom, a day after its editor was charged with defaming President Franjo Tudjman.

If found guilty, Viktor Ivancic, editor of the weekly FERAL TRIBUNE, could be sentenced to up to three years' imprisonment under a tough new law.

"The charging of our editor, Viktor Ivancic, is not just another brutal attack by the authorities on the freedom of the press, it is also the beginning of a final settling of accounts between President Tudjman and all those who don't think like him," the paper said in a statement obtained by AFP.

"At the end of this settling of accounts, journalists will end up in prison and Croatia will sink into totalitarianism," the statement said.

Ivancic is the first journalist to be charged under the new law, which was passed in March and which outlaws defamation and insults against senior state officials, including the president.

The article over which Ivancic was indicted made fun of the president for proposing that the bodies of World War II Croatian pro-Nazi fighters should be buried at a former prison camp next to the bodies of their mainly Serb, Jewish and gypsy victims.

According to the state news agency HINA, the author of the article, Marinko Culic, has also been charged.

The paper said it was not surprised by the charges, adding ironically "we are only surprised that the authorities who created the crime of thought did not think of a more effective way of preventing people thinking by themselves—lobotomy."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Croatia: Serb Deputy Opposes Partial Amnesty

AU0805200596 Belgrade POLITIKA EKSPRES in Serbo-Croatian 8 May 96 p 7

[Report by M. Djuric: "Pardoning of the Chosen Ones"]

[FBIS Translated Text] Zagreb—President Franjo Tudjman has finally given in to pressure from his country and abroad, but his ceremonial propaganda gesture of goodwill yesterday, made on the occasion of opening the highway, still has a rather obscure background. The president of the Republic of Croatia, after many months of hesitation, has only partly accepted the demands of the UN Security Council, peace mediators, and domestic and foreign human rights activists to contribute to the implementation of the Dayton and other agreements by granting amnesty to "participants in the armed rebellion against the Republic of Croatia from 17 August 1990."

According to the conclusion reached in the Council of Defense and National Security, Tudjman's parastate body, the Croatian Government has passed the bill on amnesty for citizens of the Croatian Danubian area, while the Serbs in other parts of Croatia are excluded from the president's generous act.

The act on amnesty and a separate pardon for part of the remaining Serbs in Croatia, which has already been put up for parliamentary procedure, is supposed to be urgently considered and endorsed at today's meeting of the parliament's Council of Representatives. Assessments say that the aforementioned act means freedom for approximately 5,000 persons in Eastern Slavonia, Baranja, and Western Srem, against whom legal proceedings are under way at the County Court Martial in Osijek on charges of armed rebellion. The fate of an additional 4,500 people of Serb nationality in this region remains uncertain.

Reacting to the bill, Veselin Pejnovic, deputy of the Serbian National Party to the Croatian Assembly, demanded from the chairman of the parliament, academician Vlatko Pavletic, and leaders of the clubs of assembly deputies that the Act on Amnesty not be put on the agenda of today's session.

"By endorsing this act in its proposed form, the Assembly would pardon from criminal responsibility only nationals and citizens of the Republic of Croatia in the Osijek-Baranja and Vukovar-Srem counties, while at the same time legalizing the inequality of citizens in other counties, which would be an unprecedented violation of the constitutional rights of citizens of Serb nationality," Pejnovic says.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

FYROM: Interior Minister Criticizes Mass Media

AU0805145396 Skopje MIC in English 8 May 96

[FBIS Transcribed Text] In his statement for NOVA MAKEDONIJA, VECER, and RADIO NOMA yesterday, Minister of the Interior Tomislav Cokrevski criticized the mass media mainly for their writings about the assassination attempt on President Gligorov, accusing the journalists of wanting to destabilize this ministry.

"As of today, I'm starting an offensive which will last continually and with the most powerful weapon—truth and openness. The fact of the matter is that many stories are being made up about the Ministry of the Interior, especially with the assassination attempt on the President of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. Those articles carried many untruths and many hasty theses and attacks which can hurt the Macedonian society in general, and not only the ministry," Minister Cokrevski said yesterday.

"There are some political games, which have been initiated by certain political parties, as well as personalities whose primary aim is to destabilize the ministry," the top man at the Ministry of the Interior said, adding that he regards this as a type of an assassination attempt on the Republic of Macedonia. "I want criticism from the journalists, and I also want contacts with them. However, I will not accept such a game when they maliciously place themselves in the function of certain political personalities or subjects. In this sense, I will put up a strong and open fight. I will also oppose various forms of malice that some journalists are exercising, which can serve to the purposes of certain political parties," minister Cokrevski said.

"It is true that there is an administrative marriage between the police and the journalists. But, there is also a 'marriage' between the journalists and some criminal structures. One day, we may also bring forth information about those things," Minister of the Interior Tomislav Cokrevski stated.

FYROM: Bulgarian Stance on Lost Territories Viewed

AU0805152196 Skopje NOVA MAKEDONIJA in Macedonian 8 May 96 p 2

[Commentary by Branko Trickovski: "Zhelev's 'New Way of Reading'"]

[FBIS Translated Text] On 6 May, Bulgarian Army Day, Bulgarian President Zhelyu Zhelev addressed the representatives of the Bulgarian Army units marching in the center of Sofia. On this occasion, the Bulgarian leader fiercely criticized the ruling Bulgarian Socialist Party for the "unclear and ambiguous" position on its admission into NATO. He emphasized that this could restart the syndrome that has always placed Bulgaria on the side of historical losers. In this sense, he promised a new way of reading Bulgarian military and political history, which, according to him, would provide an answer to the following question: How is it that Bulgaria was defeated in every war this century when the Bulgarian Army never lost a battle? Zhelev responded:

"Why have we (Bulgaria) lost Dobrudzha, Thrace, and Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] in the Balkan and interallied wars instead of uniting the Bulgarian nation within the historical and ethnic borders as devised in the official documents of the Sublime Porte [Ottoman Empire] and the superpowers?"

The Bulgarian catastrophes this century are contained exactly here, in the importance of this question. Here lie the foundations of Bulgaria's false historical motivation and its unreal political arguments, interpretations, activities, and current degradation. However, there is no "new way of reading" here, as Zhelev advocates. This and all the other questions related to why Bulgaria found itself on the losing side after World War I and why it repeated the same "heroism" in World War II and experienced the same fate explain the old alphabet of Bulgarian historical and political thought. These topics have become the AIDS of the Bulgarian national and state tissue, and Zhelev is once again displaying his reckless love for the historical and modern political fact.

The essential change in the "way of reading" Bulgarian military and political history in this century cannot begin with the question "Why has Macedonia been lost?" let alone why Macedonia, a part of Bulgarian "historical and ethnic" territory, has been lost. Bulgaria has never "lost" Macedonia, because it never had it. The real question that needs to be asked in the "new way of reading" is not the question that is being asked by the Bulgarian science of history or the question that President Zhelev is asking himself: Why and how has Macedonia been lost, but rather why have three wars been lost in this century? Why has Bulgaria encountered three national catastrophes? Bulgaria "is not losing" Macedonia because it is on the side of historical losers; it is on the side of historical losers precisely because of Macedonia. In the Balkan wars that Zhelev mentions, Macedonia was cut into pieces and Bulgaria was the leader of the Balkan game that ended with the Bucharest agreement. If, at the end of this century, a statesman allows himself to look at a military and national catastrophe of his own state and nation, which turned Macedonia into ashes, with nostalgia, it is more than a simple pre-election exploitation of some old

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

familiar subject. It is more than a political showdown in relation to NATO—pros or cons.

It is the revitalization of a cause that has never been given up and that has created so much suffering for Bulgaria, Macedonia, and Europe. The "new way of reading" that Zhelev advocates implies a national catharsis on the topic of Macedonia, not the repetition of an old refrain on the lost cradle of the Bulgarian spirit. Is it necessary to break up the current level of Macedonian-Bulgarian relations through this prism to see who is stopping progress and why.

FYROM: Albanian Parties Seen Attacking President

AU0805173096 Skopje Radio Macedonia Network in Macedonian 1330 GMT 8 May 96

[Station commentary]

[FBIS Translated Text] With reference to President Gligorov's interview with the German newspaper FRANKFURTER ALLGEMEINE ZEITUNG, the council of the para-university in Tetovo and the Albanian political parties in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] have expressed their views on the president's answer concerning the so-called university in Tetovo, in which he concluded that it was an illegal institution. The interview was used by these subjects to attack the president with fierce and offensive words, and with qualifications that are insulting to the Macedonian nation as well. These words put the Albanians in Macedonia in the position of puppets on a string, manipulated by those whose aim is to undermine the integrity, democratic processes, and security of Macedonia. The question is whether their participation in the powers of authority is a hypocritical or tactical maneuver. Is it not strange that the revitalization of the allegedly endangered rights of the Albanians in Macedonia coincides with the development of the situation and speculations concerning their destiny in Kosovo and at large? This relationship actually narrows the possibility for the democratic development of relations in the state, particularly considering that they are not able to give an example of another state in which minorities enjoy so many human rights and freedoms, and so much tolerance, as in the Republic of Macedonia.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Poland: Prime Minister To Appoint Ambassador to Belgrade

LD0905111096 Belgrade TANJUG in English 0924 GMT 9 May 96

["Pool" item]

[FBIS Transcribed Text] Warsaw, May 9 (TANJUG)—The Polish prime minister has informed the Yugoslav Parliament Lower House speaker that Poland was raising diplomatic relations with Yugoslavia to the ambassadorial level.

Meeting with Radoman Bozovic [president of Federal Assemby Chamber of Citizens], head of a Yugoslav Parliamentary Delegation on a four-day visit to Warsaw, Prime Minister Wlodzimierz Cimoszewicz expressed Poland's interest in the full restoration of links with Yugoslavia, especially in the economic sphere.

A statement released after the meeting quoted Bozovic as saying that bilateral relations should be raised to the level before the crisis in the former Yugoslavia.

Cimoszewicz agreed with Bozovic that Yugoslavia's reintegration into all international political and economic bodies would help stabilize the situation in the region.

Cimoszevicz and Bozovic exchanged experiences in the sphere of property transformation and discussed the internal situation in the two friendly countries.

Cimoszevicz praized Yugoslavia's peaceful policy and its contribution to the stabilization in the Balkans and the implementation of the Dayton Peace Accord for Bosnia.

Poland: Foreign Ministry Responds to Belarusian Protest

WS0805124596 Warsaw GAZETA WYBORCZA in Polish 8 May 96 p 2

[Article by "MACH": "The MSZ Responds to Protest From Belarusian Government; A Portrait Is Not a Symbol"]

[FBIS Translated Text] *"A portrait is not a national symbol," replied the Ministry of Foreign Affairs [MSZ] to protests the Belarusian Government issued to the burning of a portrait of the Belarusian president during 1 May demonstrations in Bialystok.*

The burning of a portrait of President Alyaksandr Lukashenka by a demonstrator who was protesting against the arrest of participants of the Chernobyl march in Minsk on 1 May in front of the Belarusian Consulate in Bialystok was deemed a defamation of Belarusian national symbols by the consul general of that state. On Monday [6 May], Belarusian diplomats submitted a letter of protest to the MSZ.

"According to Belarusian and Polish law, a portrait is not a national symbol. The fact that a portrait was set aflame can be offensive only for whomever got 'burned' and the ideas he represents," MSZ Spokesman Pawel Dobrowolski told GAZETA WYBORCZA yesterday.

The MSZ does not agree with the statement made by the Belarusian consul that the Polish police were inactive during the demonstration. "We find the consul's statement that he was surprised by the inactivity of the police distressing because he seems to be unaware of Polish law: The demonstration did not pose any threat to public order," said Dobrowolski.

The Belarusian Embassy is to receive an official reply from the MSZ in a couple of days. "The MSZ believes that the incident in front of the Belarusian Consulate in Bialystok will not harm neighborly relations between Poland and Belarus," Dobrowolski added.

Poland: Implications of Purchasing U.S. Hellfires Viewed

WS0805145296 Warsaw SZTANDAR in Polish 8 May 96 p 2

[Article by Wojciech Luczak: "What Will the Polish Huzar Be Armed With?"

[FBIS Translated Text] *Two companies offering package deals—an armor-piercing projectile, a deck gun, and avionics—are fiercely competing to sign an official contract with the Polish Government.*

The main battle, however, is being fought by manufacturers of the armor-piercing projectile, the crucial element of the Huzar helicopter. Two contenders remain on the battlefield: the Israelis—with the Rafael Company showcase product, a prototype of the NTD projectile, with a range of 6 km, and the U.S. Rockwell concern—offering the Hellfire missile that was used in the Persian Gulf.

At a recent meeting of the Defense Issues Committee of the Council of Ministers [KSORM], the participants voted for the NTD. Several high-ranking representatives of the Ministry of National Defense and the Ministry of Foreign Affairs clearly opted for Hellfire. They were, however, in a minority.

This has visibly shocked lobbyists in Warsaw who work for U.S. arms consortia. By an odd coincidence, ZYCIE WARSZAWY almost immediately published an article claiming that Poland erred by not choosing the Hellfire II projectile, which had passed all possible tests during "Desert Storm."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Meanwhile, SZTANDAR established that Hellfire had been rejected several years ago in the course of a preliminary selection of modern antitank rockets for the Huzars and for our Army. This was at a time when nobody even spoke of Washington granting Poland an export license for the projectile.

Blind Rocket

Confidential operational reports from the Gulf War showed that in dense smoke the laser avionics of the U.S. rocket are simply blind. An emergency smoke screen that any attacked object can hide behind will also cause malfunctioning of the observation and target-guidance system.

SZTANDAR also acquired an in-depth analysis by a renowned U.S. arms concern, dated April 1996, which states that, in Polish climatic conditions (high air humidity, very frequent fogs, common snow and rain), equipping the Huzar with Hellfire rockets can dangerously impair its combat ability. In other words, the helicopter will be capable of fighting enemy tanks by using the Hellfire laser target guidance system successfully only if it is dry and the enemy does not use a smoke screen.

Moreover, we established that the two rivals on the Polish market—the Israeli Rafael Company and the U.S.-based Rockwell—have jointly presented the U.S. Marine Corps with a modern design of a long-range armor-piercing projectile. The generals liked the design very much. It was rejected, however, because of the high price of the rocket.

The Projectile and Politics

A well-informed source claims that the selection of a projectile for the Huzar is becoming a political issue. The Clinton administration is very keen on tightening relations between the Polish and U.S. arms industries. This is the key argument the administration will employ to convince skeptics in the course of the tough debate on the rationality of admitting us to NATO. If only Poland chose Hellfire and one of the U.S. fighter planes (Lockheed's F-16 or the F/A-18, manufactured by McDonnell Douglas) that could be assembled in our country.

U.S. Suggestions

Such are the major points of a letter dated 1 May 1996 by Paul Kaminski, U.S. under secretary of defense, to Defense Minister Stanislaw Dobrzanski. He suggests that the question of equipping the Huzar with Hellfire II projectiles be reconsidered. Perhaps the KSORM will debate the issue.

The Polish Armed Forces currently need some 5,000 modern guided antitank missiles. The price of one missile, assembled under a license in the Mesko plant, is estimated to be approximately $50,000. A further $70 million in license fees should be added to the bill. Each of the 130 combat helicopters we are allowed on the basis of the Vienna agreement is to hold 13 rockets.

Poland: Goals of 1996 Military Training

96EP0047A Warsaw PRZEGLAD WOJSK LADOWYCH in Polish Jan 96 No 1, pp 5-11

[Article by Major General Leon Komornicki, deputy chief of staff of the Polish Armed Forces: "Troop Training in 1996"]

[FBIS Translated Text] We face another training year. Much indicates that it will not be a turning point in the situation in which we exist. Not just because the 1996 budget does not meet our expectations, but also because it does not assure the training minimum. At the same time, the ongoing restructuring of the organizational model of the Armed Forces necessitates taking many measures to bring training problems in order, to define clear and explicit principles of training and education, and to issue many normative legal acts regulating these domains and intended to translate into reality more effectively the objectives posed.

Many of these problems are regulated by "Training Doctrine of the Armed Forces of the Republic of Poland—2010," which is beginning to take effect. Accomplishing its objectives is, however, based on a timetable, consonant with the development forecasts for the military. Thus, it should not be expected that the very fact of the "Doctrine" taking effect will immediately and drastically change anything. Hence also, we should not view training in 1996 solely through the prism of 12 months, and instead we should link it smoothly to the coming changes.

To this end, training activities within tactical formations, units, and autonomous subunits should be focused on intensifying cadre training in order to refine and sustain the cadre's operational-tactical and firing skills, as well as physical condition. This requires introducing a peacetime training system which will, on the one hand, yield definite savings and, on the other, assure proper preparation for executing command, staff, and troop combat objectives.

This will require improving the rhythm of tactical training at all command levels—perfecting command-staff and tactical knowledge during tactical games, command-staff exercises, discussions, etc., as well as retraining at selected centers (in troop units) with

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the object of familiarizing the career cadre with the latest military equipment and ongoing organizational training activities. These measures should be intended to promote among commanders greater autonomy of decisionmaking within the scope of their competences. The cadre attaining high military professionalism should be rewarded.

Tactical training should include tactics for preparing cadre and troops to conduct operations in defense of the seacoast and in mountainous terrain, and the specifics of operations in urban areas. The training rhythm of subunits at the Main Urbanized Center should also be maintained.

Within the Krakow Military District it is necessary to plan the training of all-arms subunits in mountainous terrain, and concurrently to familiarize the command cadre of the Polish Army with the problems of waging combat operations on such terrain.

Within the tactical formations, units, and autonomous subunits which are to be or already are being reorganized, the scope of curriculum training should be confined to training the career cadre, upon focusing on preparing it to command troops on the battlefield, on methodological training activities, and on organizing educational work. Subunit training should be confined to the specialist training of personnel in exercising designated duties.

Troop training should be oriented toward maintaining a specific requisite combat ability in accordance with the changing organizational and training conditions and the allocated funds and material resources. This is the basis for planning any training objectives, since it conditions their number and scope. The requirement of adhering to the funding limits allocated for training purposes should be adopted as a principle.

In the tactical formations, units, and subunits whose restructuring has been completed, a 15-month training curriculum should be followed, to end at the subunit level. For infantry and tank subunits the training should culminate in comprehensive tactical exercises at the company level. For all-arms tactical formations, instructional methodological troop exercises should be held at the battalion level.

Visual aids and assistive devices (individual and team training/educational equipment, simulators, trainers, etc.) should be used to a broader extent while at the same time limiting the use of combat equipment.

As regards fire training, priority should be given to using ammunition for obsolescent equipment and weaponry. Warrant officers and cadets should be provided with adequate ammunition for scheduled marksmanship programs. In the training of soldiers in basic military service serving in line units as crews of the PT-91 and T-72, and the BWP-1, daytime test firing of cannon shells should be mandatory, as should be, insofar as is permitted by funding limits, other programmed firing and exercises. As for the other test firings and fire-control exercises at training centers and in line units, these should be conducted using barrel liners and rifle bullets.

The streamlining of the training system in expectation of conversion to a 12-month training cycle should be continued, on the premise that a more professional army (inclusive of appropriate saturation of subunits with reenlisted personnel) is a priority. To this end, a suitable experiment should be conducted in selected units of the Pomeranian Military District after they are appropriately complemented with reenlisted personnel.

Coordination of systems should be implemented as part of command-staff exercises, training, tactical games, and troop exercises. To assure that they are continuous and systematic, plans for coordinating discrete systems on the basis of a uniform tactical background should be developed starting at the brigade level. A single main system or several subsystems should be coordinated at a time; the coordination of successive command-level systems should each time be preceded by coordinating them at a lower command level. In armed services, the coordination of systems should be implemented with the participation of at least one staff of the all-arms unit (subunit) involved. Detailed coordination directives should be issued by the commanders of the armed services in accordance with their competences.

As regards personnel reserves, efforts should be focused on the advanced training of the cadre (especially subunit commanders) and the specialists requiring systematic training. The training should be carried out chiefly during short-duration (two to 10 days) troop exercises, on reducing to a minimum the exercises of cohesive subunits (due to changes in unit deployment). One-day exercises should be abandoned, except in the case of newly formed units (subunits).

Physical education should be intensified, focusing chiefly on the career cadre, students at military academies, and reenlisted military personnel. Its object should be to foster the habit of conscious personal concern for physical fitness. The physical fitness of servicemen in basic military training should be developed chiefly during their specialist training and maintained throughout the remainder of their service by means of systematically scheduled workouts, and through universal participation in sports contests at unit and garrison levels. Recreational sports should be conducted in selected and universally accepted sports

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

disciplines, with allowance for organizational and financial possibilities.

In professional education the principal activities should be subordinated to an efficient and effective continuation of the objectives comprised in "A Timetable of Measures To Reorganize Military Professional Education," paying special attention to:

—introducing a new model for training warrant officers and ensigns at the Military Engineering Academy, the Naval Academy, and senior officer schools;

—commencing training at all educational levels at specialist training centers;

—developing and introducing a new model for the administration of military education that is compatible with the new system for the command and direction of the Polish Armed Forces;

—raising the instructional and economic level of cadre education.

In addition, jointly with the proper institutions of the Polish General Staff:

—a system for the military retraining of graduates of civilian universities should be introduced;

—the principles for the higher and postgraduate education of the cadre should be defined, linking them closely to cadre practice;

—a model of professional preparation of command-staff cadres, proper for the qualitatively new shape of the Polish Armed Forces, should be developed;

—work should be continued on a new model of professional educational development for the career military, including especially military teachers;

—the system for teaching foreign languages to cadres should be refined;

—a system for cadre training in wartime should be developed and introduced;

—intensive contacts between military and civilian educators, as well as with professional education in foreign armies, should be maintained.

As regards the missile and artillery troops, the combat efficiency of tactical formations, units, and subunits should be refined chiefly as part of operational-tactical training in military districts and tactical training of all-arms tactical formations and units. During the exercises, efforts should be focused on the combat coordination of higher and lower artillery commands and staffs starting at the artillery-battalion level, in the form of command-staff exercises, training, and group exercises, during which priority should be given to training in fire control combined with firing of combat ammunition. In cadre training the requirement of attending higher-level courses prior to appointment to a higher rank should be introduced.

As regards antiaircraft troops, the principles for protecting operational troops and facilities as part of an air defense system should be refined, extensively using automated command systems at all levels.

Coordination of subunits should be implemented during winter and summer firing-range and field exercises:

—in winter, in areas of airfields and garrison exercise squares;

—in summer, at the Testing Range Center of Antiaircraft Defense Troops in Ustka.

Among troop units it is necessary to improve the technical infrastructure, streamlining the process of training command staffs and antiaircraft missile crews. The available imitators (simulators) of air targets should be maximally utilized, and new solutions should be explored in adapting the existing firing centers to simulating air targets.

As regards engineer troops, priority should be given to obstacle building, demolition, and the preparation and adaptation of existing infrastructure for promoting effective combat.

In command and staff training, the structures and operating principles of command-system loci in wartime should be refined, and the skills of the cadre of the units operating in the new structures perfected, so as to assure improving the qualifications of the cadre appointed to new posts.

It is necessary to introduce and refine a subunit training system that makes allowance for expanded cross-training of engineer troops, as well as for the provisions of the new curricula, instructions, and manuals.

In sapper-engineer training and tactical exercises the ability to perform the basic objectives of engineer support independently and in cooperation with assigned and supporting engineer subunits, in accordance with the possibilities on hand, should be fostered.

As regards antichemical warfare units, commands and staffs should be prepared to plan and organize defense against chemical warfare in accordance with the provisions of the new instructions. Principles for the use and operation of subunits in new organizational structures should be worked out.

In staff exercises and training, the main effort should be focused on the performance of the system for collecting

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

and processing data on contamination, as well as on planing and implementing defense against chemical warfare and the objectives ensuing from extraordinary peacetime threats.

The principal training effort for subunits should be concentrated on preparing them to fully carry out specialized objectives. Special emphasis should be placed on cross-training specialists, inclusive of elements of combining identification and elimination of contamination at the platoon level. In tactical exercises of subunits of all services, one or two episodes of antichemical warfare should be included, especially how to surmount contaminated terrain.

As regards the military police, special attention should be focused on applying the "Manual of Tactical Operations of Military Police." Flagrant violations of military discipline, including crime, armed desertion, and pilferage of means of battlefield simulation, should be effectively counteracted. In this respect, support should be provided to commanders of military units.

The tactics and techniques of protecting persons in custody and military objectives should be refined. The quality of the documenting and technical protection of event sites should be improved and the criminological methods and techniques of identifying incriminating evidence refined.

Cooperation with commanders at all levels, the procuracy, military courts, and Military Information Services should be improved; and this also applies to cooperation with institutions outside the military, such as the Police, the Border Guards, the Office of State Protection, and the Railroad Security Service.

Educational and learning activities should be focused on:

—complete introduction of systemic solutions for shaping the attitudes of the cadre and servicemen;

—developing, especially at the level of the tactical formation and the unit, a coherent system for analyzing threats to discipline, and counteracting egregious violations of military rules;

—eliminating factors conducive to crime, absence without official leave, and alcohol abuse;

—intensifying the measures taken to assure adherence to the manuals of rules of the Polish Armed Forces, especially in view of the anticipated qualitative changes in promoting discipline;

—promoting positive changes in the integration of military communities and counteracting any symptoms of violations of interpersonal relations;

—introducing systemic solutions in preparing the cadre to assume posts of educational officers and to direct educational cells at the level of the tactical formation and the unit.

As regards monitoring and inspection, the principal objective should be to make plans and measures more effective by means of their broader monitoring by appropriate personnel, in accordance with their scope of responsibility.

In addition to aspects of troop combat operations, monitoring by the Polish General Staff and the commands of military districts and armed services should principally focus on problems of military discipline, with allowance for the mood within the Army, interpersonal relations, command and guidance techniques, and adherence to the rules governing military service and life.

As regards reporting and record-keeping the following should be the principal guidelines:

—rigorous adherence to the related operating principles as defined in the issued normative documents;

—tightened reporting and record-keeping by command sections at all levels, and principally by the managers of discrete subsystems;

—close adherence to the newly defined reporting and record-keeping obligations of institutions, commands, and staffs, as a basic prerequisite for effective management of activities of the Armed Forces in every field, including principally training activities.

Within selected military units, verify:

—consonance between the reports submitted and the revised reporting guidelines;

—correctness of the procedure for meeting the demand for standard form blanks.

It is necessary to supervise the efficiency of providing military units with compilations, reports, and form blank catalogs by the depository for training materials, and to ascertain that forms not included in the new branch catalogs are withdrawn from storage and depositories.

Accomplishing all these objectives will not be easy, because it requires total commitment of us all. Only thus can we compensate for the problems and restrictions on the training process over which we have no control. We must launch this effort in the name of the common good, namely, national defense.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Poland: Chief of General Staff on 'Raison d'Etat'

WS0905073096 Warsaw RZECZPOSPOLITA in Polish 8 May 96 p 5

[Article by General Tadeusz Wilecki, chief of the Polish General Staff: "Raison d'Etat"]

[FBIS Translated Text] *Recent years have seen profound political, social, and economic transformations in both Poland and our closest surroundings. The old order and configuration of forces collapsed. East European countries, which had been politically and economically dominated, regained their independence and sovereignty and embarked on the process of implementing democratic reforms. They are trying to find a place for themselves in the new reality, with a view to integrating with the European structures. As Poles we ought to be proud that we were the ones who initiated this process and that we made an undeniable contribution to its development.*

A Chance in the Changing Reality

We must fully realize that the situation in which we have found ourselves offers us great opportunities for a better, safer, and stable future. We would have to look hard into Poland's history to find a situation that would have been equally conducive to continuing deep reforms of the state and to completing them with success. We have partnership relations that correspond to reality with all of our neighbors. Our borders are secure.

It should be remembered, however, that the geopolitical reality that surrounds us is extremely dynamic; it changes due to a great deal of factors that are difficult to forecast. At the same time, it is impossible to predict what our future will be like and which way the wheel of history will turn. It is hoped that the optimistic scenario will come true: East European countries will quickly integrate with the West and the situation in the East will be stabilized. However, what if this does not happen? Assessments of Poland's prospects must not be based on only hopes and wishes. One must take into account reality and facts and allow for less optimistic scenarios as well.

One cannot patiently and passively wait to see what happens next. We should take advantage of all opportunities to strengthen our statehood and to guarantee our nearly 40-million nation a worthy place in the world. Our position on European or world ranking lists, as well as our place in the political and economic arena, is not permanent. History proves this! We must constantly take care of these places as if they were at the very top of the lists. No one is going to do this for us. What kind of Poland our children and grandchildren will live in depends on only us.

What should we take into account when trying to choose a model of statehood that would be the most favorable to us? I mean a model that includes the shape of a defense system to guarantee the nation a safe and prosperous life and development. What should be the fundamental criterion of assessing the rightness and the direction of the reforms that are being implemented?

Participants in discussions on this topic usually point to the raison d'etat. It is to be the decisive factor and the most important sign in a situation where there are at least two options.

However, interpretation of this concept gives rise to a great deal of controvery. It sometimes happens that people who see the raison d'etat as the most vital principle come to quite opposite conclusions. Some people use the concept of raison d'etat as an argument in favor of taking specific actions, whereas others use it to support an argument against. All agree that the raison d'etat requires that the needs and the good of the state be considered the overriding principle in taking any action. It turns out, however, that views on the good and needs of the state may vary. Not all people think along the same lines. How should we avoid such interpretation-related problems?

It appears that one of the possible solutions might involve inclusion of only the most important issues in the concept of the raison d'etat, inclusion of issues about which no major doubts should be expressed. These undoubtedly comprise the following: sovereignty, territorial integrity, security, national identity, a stable and efficient foreign policy, and a strong economy. Where these issues are concerned, the views of most Poles ought to be similar. However, controversies may arise when it comes to deciding how these supreme goods should be guaranteed. In a democratic state, it is the will of the majority that should be decisive in such a case. In practice, however, even countries with long democratic traditions sometimes have problems with this.

I would like to share my reflections on what should be the most vital thing for the Polish raison d'etat and what should be taken special care of.

The raison d'etat requires taking constant care of the state's security. A properly conducted foreign policy makes it possible to prevent potential crises, receive help in a difficult situation, find allies. However, it is unable to guarantee security fully.

It is not easy today to specify military threats to Poland—both current threats and those that may emerge in the near future. Nevertheless, they cannot be ruled out. Readiness to defend the country's independence and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

sovereignty must be congruous to the results of analyses of both the current and projected geostrategic situation.

How To Change the Armed Forces

The defense system of our country is going through a process of restructuring. We are adjusting it to current needs and to future challenges. One of its fundamental elements are the Armed Forces. They must be credible, well-equipped and well-trained, prepared for the tasks they face. Their role is to act as a deterrent; they are to discourage a potential aggressor.

At the very beginning of the political and economic transformations in our country, the following slogan gained a lot of popularity: "A smaller but more modern Army." Its propagators pointed to the possibility of replacing quantity with quality. This is possible—within reasonable limits. These limits must be clearly specified. After all, we would be hard put to replace 100 tanks with just one tank, even if it reflected the state of the art. Some are dreaming of a supermissile or a superbomb. However, can such dreams be taken seriously?

The first part of the slogan, regarding the limiting of the quantity of the Armed Forces, was easy to implement. Attempts to improve their quality are accompanied by serious problems. The Armed Forces of the Polish Republic have been reduced by nearly half, and so far this has not resulted in an improvement in their quality, including the quality of military hardware. This will be impossible without, unfortunately, high expenditures on the military.

As a result of the poor financial situation, many Armed Forces issues have been neglected in recent years. Particularly painful are problems related to technology. Our hardware is getting old, it is being withdrawn from use, and there is no money to purchase indispensable amounts of new equipment. Unless these trends are reversed, in a few years we will have Armed Forces that are not only small but also technologically obsolete. Will we then be able to ensure fulfillment of the constitutional defense tasks that the Armed Forces face?

There is also often talk of the necessity of adjusting the Armed Forces to the state's economic abilities. Now, if this is the only factor we would take into consideration, the easiest solution would be to give up the idea of having armed forces. Can we really afford this if we think of the raison d'etat? Perhaps, for the sake of a prosperous future of the Republic, we should seek a reasonable compromise between defense needs and the state's economic abilities.

The Army Is Not the Only Defender

Defending the state is not the duty of only the military. It is necessary to prepare the entire country to defend itself; it is indispensable to develop a sense of collective responsibility for the state among the people.

For these reasons, it is worthwhile to ponder for a while the condition of the spirit, as well as the sense of patriotism and moral condition of our nation. Are we sufficiently close-knit? Can we galvanize ourselves to action and treat the interest of the state as a higher priority than our own at important moments? Do we all have the same vision of Poland for the future? This is not about details but about issues of fundamental importance.

There are more and more doubts; there appear increasingly more opinions that we are divided. Various criteria of such divisions are pointed out. There are divisions into those who are supporters of reforms and who want to integrate with Europe, on the one hand, and those who find it difficult to forget old habits, on the other, into better Poles and worse Poles. Everyone thinks he is right, that he is guided by a sense of patriotism, that he wants prosperity for Poland, and that he knows how to ensure it. Disputes are going on in which almost all methods are used. The average Pole finds it difficult to assess who is right and whom to back. He finds it hard to see the real purpose and intentions of those who publicly present their views.

The raison d'etat requires peace and agreement in the state, particularly harmonious cooperation among the political elites. They will decide the future of the state. Thus, a great deal depends on their morality, responsibility, and professionalism. They should act with dignity, as the nation they represent deserves...

Poland Does Not Belong to Any Political Party

It is very important to extinguish the conflicts that have become so widespread recently and are causing emotions to run high. Our most recent history has clearly shown everyone how tragic the consequences of such a state of affairs can be. In the name of the Polish raison d'etat, we should draw the proper conclusions from this recent lesson. Politicians should keep national interests in mind, and not only during election campaigns and when canvassing for votes. Poland must be served with devotion. State offices cannot be used for satisfying individual or party interests.

It is disheartening to see that divisions are discussed not only on the universal plane, but also on lower levels—within families. When angry family members walk away from the Easter table in opposite directions, it is difficult

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to be optimistic about the future. After all, the family is where the basic principles of a dignified life and moral values are bred into young people, where they are taught to be responsible citizens and love their homeland.

Does the current condition of the nation guarantee that it can close ranks and stand united in the defense of its country? The answer to that question is very significant. Let us hope that the curent divisions can yet be overcome, that they will vanish in time of crisis. What if they begin to deepen in the immediate future? We have to seriously consider what can be done to strengthen the spirit of the nation, to maintain its consolidation. One might have the impression that some do not see the importance of this fact and, instead of fostering everything that is most important for unity, thoughtlessly do the exact opposite.

There is not enough reverence for national tradition, respect for the achievements and history of our state in our everyday life. We have a very rich history. It provides a myriad of examples of great patriotism and models of conduct. It should be the foundation for building the future and shaping the attitude of the young generation. This is what every nation wishing to retain its identity does, although their past is often not as rich as ours.

As we talk about European or global integration, a specific model of man emerges—a member of a very huge international society, removed from his state and nation. We must answer the question of whether this is the type of integration we want, whether this meets the interests of the Polish raison d'etat. This is a problem not only for Poles. Animated discussions on the topic are being held in the integrating West Europe as well. Decisions in this field must be made with the utmost caution.

Integration is undoubtedly advantageous and necessary. Its benefits are particulrly visible in the economy. Eliminating customs barriers, intensifying capital flow, the transfer of economic potential between states, and the exchange of scientific and technological knowledge enhance development and allow the standards of living in particular countries to be evened out.

The favorable historical moment should be taken advantage of. Bridging the East and West provides us with the unique opportunity of developing our economy. Success would give us a chance to improve our well-being as a nation, also in psychological terms. A state with a strong economy is a secure one and an attractive partner respected on the inernational arena.

The benefits of political integration are obvious. It serves the strengthening of international cooperation, enhances mutual trust, and allows for the maintainance of peace. The national interest demands that we enter the structures and systems of universal security and become a member of NATO. Must integration, however, imply removing ourselves from our national roots?

The condition of the state and the nation, its authority and future is the sum of individual activities and civic attitudes, exhibited particularly by those who influence opinions and promote the image of Poland in the world. Thus our everyday words and deeds should be subordinated to the imperative task of observing the raison d' etat. The homeland should be respected. We must see all of its values and firmly defend its interests. If we do not do that, who will? Who will take care of the Polish raison d'etat?

Poland: Customs Guarantees of EU Road-Hauliers To Be Withdrawn

LD0805220696 Warsaw TVP Television Second Program Network in Polish 1900 GMT 8 May 96

[Relayed by Warsaw TV Polonia]

[FBIS Translated Text] Poland is to withdraw customs guarantees for road-hauliers from the EU. This is a reaction to the refusal to grant such guarantees to companies from outside the EU. The east-west transport war means that, as of midnight on Monday [13 May], we will require the payment of customs duty immediately upon crossing the border and not after the supply of goods to the recipient.

[Correspondent] The Association of International Transport Hauliers decided this after unsuccessful negotiations in Warsaw yesterday with a delegation from the Customs Department of the EU. The refusal of customs guarantees was introduced by EU road-hauliers on 1 April, the latter having accused us of smuggling goods under the cloak of TIR [Transport International Routier] privileges.

This is, however, an attempt to take over the haulage of international consignments, since smuggling ended over a year ago and the courts have not proved anyone guilty. The lack of customs guarantees has meant that consignments from Poland have fallen by as much as 80 percent.

[Roman Buksinski, Association of International Transport Hauliers] We must now deposit money and bank guarantees, and very high ones at that. For instance, one consignment of butter requires the presentation of a guarantee to the value of 160,000 German marks.

[Correspondent] Customs duty deposits must be paid for the transport of goods with enhanced customs risk.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

These are for the most part meat, milk, butter, cheeses, bananas, grains, and sugar.

[Buksinski] Goods with so-called er' nced customs risk constitute almost half of Polish exports to the EU in terms of value.

[Correspondent] It is difficult to envisage how long the east-west transport war will last. It is certain that our hauliers cannot afford to pay high customs deposits, while obtaining a bank guarantee is something that takes a long time and is too expensive for our often indebted transport companies.

Poland: Assessment of Reform of Central Administration

96EP0049A Warsaw POLITYKA in Polish 23 Mar 96 No 12, p 18

[Article by Janina Paradowska: "Sejm Debates Package of Laws on Central Administration: Expected and Orphaned Reform"]

[FBIS Translated Text] After five years of waiting and following numerous revisions, agreements, and deals, a package of 12 laws for reforming the economic and administrative center of the state has been presented to Sejm for consideration. The importance of this event is emphasized by the fact that parliament has decided in favor of an unprecedented open debate, meaning that any members could take a stand.

More than 10 percent of the deputies availed themselves of this possibility, their speeches taking all day. The conclusion from this debate is rather surprising: There is a general consensus that the central administration needs to be reformed, but there is no agreement at all on how it is to be done.

In a nutshell, the government is proposing: the closing of seven ministries and their replacement with seven new ministries and central offices; changes in the duties of the ministers (instead of direct management, the determination of rules of the game, observation of trends under way and response to emergencies); the transfer of more than 120 additional powers, including the power of being the parent agencies of 1,300 enterprises, to voivods; and the disbanding of the Office of the Council of Ministers, that is, of the most criticized and most dysfunctional government agency.

The reform is to result in the disappearance of the Ministry of Industry and Trade, the Ministry of Land Management and Construction, the Ministry of Ownership Transformations, the Central Planning Office, and the Office of the Council of Ministers, while others will be transformed. The new ministries to be established are: Economy and International Trade, State Treasury, Privatization, and Public Administration and Housing. In addition, the following new institutions without ministerial status will be established: Committee for European Integration, Center for Strategic Studies, and Office of the Chairman of the Council of Ministers. Such are the intentions, at any rate. As to the ultimate outcome, that is unknown.

The package of 12 law drafts had been prepared and addressed to Sejm by the government of Jozef Oleksy. Prime Minister Wlodzimierz Cimoszewicz did not take much time to transmit the package to parliament, apparently believing that political consensus will be somehow reached during the work of the Special Committee. That will be unusually difficult considering that during Sejm discussion, support, basically unconditional, for these bills was declared only by three PPS (Polish Socialist Party deputies in whose electoral interest it is to try and rapidly rejoin the ranks of the Democratic left Alliance (SLD), which bears fruit through the tactic of supporting the SLD even when some of the SLD's activists have doubts on this issue.)

Following the first discussion, not even the authorship of the bills is quite certain, for it seems that they were not so much conceived by the government as adopted by the Council of Ministers by a majority of votes, with several nays. They were, of a certainty, not authored by the SLD-PSL governing coalition (PSL = Polish Peasant Party). One of the most critical speeches was made on behalf of the PSL by Leslaw Podkanski, who enumerated a long list of reservations, among which, not without importance to the PSL, is the proposed disbanding of the ministry dominated by that party, that is, the Ministry of Foreign Economic Cooperation, which already by tradition is the one most desirable to many political parties—and that in itself should be decisive to its speedy demise. A controversial issue within the government is the separation of European integration from the Ministry of Foreign Affairs. It is not even known whether some time afterward this will be an SLD project. Only now will Minister Leszek Miller (a potential minister of Public Administration) and Minister Zbigniew Siemiatkowski (perhaps for a time a "minister without portfolio") begin to tear apart between themselves the Ministry of Internal Affairs, and since both are highly ambitious individuals inclined to broaden their powers rather than to delimit themselves, it would be hard to predict the outcome of this tug of war.

At any rate, the fact that a crucial issue, namely, the future of the Ministry of Internal Affairs, has not so far been resolved, and the government is predicting the closing of that ministry by transmitting an amendment to the Sejm committee, which in itself is an unprecedented

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

occurrence, makes the discussion of administrative, if not economic, reform a moot point at the moment. This renders largely useless the many months of hard work by the government commissioner for reform, Marek Pol, who had tried to draft a moderately cohesive package of laws on the economic ministries. For the situation now is such that some of the proposals were prepared solidly—irrespective of the controversial nature of the philosophy itself of reforming the central administration—while others are being prepared under the pressure of political events (the so-called Oleksy Affair), hastily and not on the basis of a clear and well-considered concept.

Thus, the opposition and a substantial segment of the governing coalition question many aspects of the proposed reform. Much has been said about the conflicts between these proposals and the future constitution, which is a serious charge, because the central administration will be reorganized over the years rather than over months. Much has also been said about the absence of a linkage between the proposed laws and the projected reforms of local governments, so that as a result, the proposed decentralization of powers is only seeming and merely perpetuates more solidly the existing administrative structures. The reservations as to whether the proposed new ministries should be approved or modified are as many as there are conflicting parochial and partisan interests. Such reservations may be, of course, disregarded because, as is known, administrative reforms hurt major interest groups and therefore are desirable, but ultimately these reforms have to be passed by parliament, and nowadays it does not look like they will be.

It may be that throwing that package of bills onto the shifting sands of parliament and exploring compromise solutions is some political idea of doing something about an issue which successive governments could not tackle. But the problem is that a compromise is quite difficult to reach in a situation in which the bones of contention are too numerous, totally different reform philosophies clash, and the reformers themselves still have no notion of certain future solutions. In such a situation, compromise may bear fruit not in reform but in its caricature. It appears that political consensus on this issue should have been explored somewhat earlier, in the drafting stage of these bills. Prime Minister Wlodzimierz Cimoszewicz had such an opportunity when, during his first days in office, he suspended parliamentary work in order to examine this package of bills. It is not really known why he did not avail himself of this opportunity. Thus we have before us an extremely orphaned packet of reform proposals and the tortuous prospect of identifying its political foster parents in parliament.

[Box, p 18]

Proposals for Reforming the Central Government

A—Old Ministries: Industry and trade, Foreign Economic Relations, Central Planning Office, Land Use and Construction, Office of the Council of Ministers, Ownership Transformations, Finance, Others, Internal Affairs

B—New Ministries: Economy and International Trade, Public Administration and Housing, Privatization, State Treasury

C—Other New Offices: Center for Strategic Studies, Chancellery of the Chairman of the Council of Ministers, Committee for European Integration

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Romania: NATO Official on Expansion Process

96P20415A Bucharest OBSERVATORUL MILITAR in Romanian 10-16 Apr 96 p 2

[Article by Colonel Ioan Luca: "Director of the NATO International Military Staff Visits"]

[FBIS Translated Excerpt] A delegation headed by Lieutenant General Gerrit Jan Folmer, director of the NATO International Military Staff, visited Romania 30 March-3 April at the invitation of Army Corps Gen. Dumitru Cioflina, chief of the General Staff of the Romanian Army. [passage omitted] The visit concluded with a 3 April press conference.

Summarizing the results of the visit, Lt. Gen. Folmer said: "I am very honored to have had the opportunity to respond to Gen. Cioflina's invitation. I was able to learn for myself, on the spot, about certain characteristics of Romanian armed forces.... In addition to the discussions that I had with Gen. Cioflina and the members of his staff, I also had the pleasure to meet the Romanian minister of defense and Senator Radu Timofte. I believe that nothing can replace direct contacts, such as those that I had during my visit here.... They convinced me that you are on a good road for the future.... I am not underestimating the difficulties that you will continue to have in this transitional stage, in the process of restructuring and reform, a process to which the armies of other states have also been subjected.... This will not be an easy mission which you can carry out in only a few days, but I have noted that you have a very clear strategy in this regard and that you need our support, that of NATO.... In conclusion, this visit has proven to be very productive and beneficial and has been very useful to me in carrying out my mission in NATO." (Editor's note: The body that the general heads prepares documents for the Military Committee of the North Atlantic Alliance, whose role is of particular importance in the political decisions of the NATO Council.)

Army Corps Gen. Dumitru Cioflina said: "It was an extremely useful meeting for both parties. First of all, the aim was to inform the general about the status of reform in the Romanian Armed Forces, what we have achieved so far and our objectives for the future. This briefing gave rise to some suggestions in regard to options and programs for the future.... I believe that the visit was beneficial and effective and I have only words of thanks for the general and his colleagues who, during the discussions, expressed comments, recommendations, and opinions in regard to our current and future moves."

Enumerating some of the "suggestions," "recommendations," and "opinions" of the high-ranking NATO military official, the head of the General Staff noted the special attention which should be given to the human factor, to motivating those people involved in the current process of restructuring the armed forces and, implicitly, to changing their mentalities.

In his responses to the newsmen at the press conference, dealing with NATO expansion and prospects for integrating Romania into the North Atlantic Alliance, as a member with full rights, the director of the NATO International Military Staff was very articulate. In regard to the fact that U.S. Secretary of State Warren Christopher, speaking in Prague, did not mention Romania among the countries with a chance of being integrated into NATO in the first wave, Lt. Gen. Folmer said: "What Mr. Christopher said is his opinion as the representative of one of the 16 allied states. However, this is not NATO's opinion. In NATO circles, we do not discuss phase 1 and phase 2 of the process of expanding the Alliance. At the present time, as I told Senator Timofte, I regard this issue as an intellectual exercise. Currently, we are in the phase of a so-called intensified dialogue with states that want to join our Alliance. Romania is the third country to send NATO an official document in this regard. I was happy to learn that this document was presented at the very time that we were here in Bucharest...." (Editor's note: He is referring to the document on the basis of which discussions will be held in the framework of an "intensified individualized dialogue" of our country with NATO on the issue of expanding the North Atlantic Alliance.)

[Folmer continues] "There are no special conditions or criteria for the integration of Romania or of any of the states that want to join NATO. However, we have defined 'why' and 'how' the expansion will take place. We will decide on 'who' and 'when' later. NATO expansion plans have not changed. NATO will make its own decisions—despite the opposition of Russia—when it considers it to be an appropriate time. It will not allow any state outside the Alliance to have the right to veto the expansion process...."

During this press conference, it was confirmed that NATO Secretary General Javier Solana would arrive in Bucharest on 3 May.

Romania: CDR Head Opposes Senators' Roles in State Companies

AU0605172896 Bucharest ROMANIA LIBERA in Romanian 3 May 96 p 3

[Statement signed by Emil Constantinescu, president of the Democratic Convention of Romania: "In Spite of the Vote of the Majority in the Senate, the Democratic Convention of Romania Condemns the Acceptance of Parliament Members' Participation in the Shareholders

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Supervisory Board—Emil Constantinescu Believes That Ion Iliescu's Statements Against Corruption and the Privileges of Those in Power Are Only Propaganda"]

[FBIS Translated Text] On Tuesday, 30 April, the Romanian Senate decided, through the votes cast by 65 PDSR [Party of Social Democracy of Romania] and PD-(FSN) [Democratic Party—(National Salvation Front)] parliament members, that senators have the right to keep their positions on the Shareholders Supervisory Boards [AGAs] in commercial companies with a state-owned majority capital. This is an extremely serious decision whereby the suspicion of corruption that hangs over some parliament members will be further fueled, while corruption will be able to develop on a legal basis. It is surprising that prominent members of some parties with ruling experience demonstrate that they are not in the least interested in the image they have among the citizens of this country when it comes to protecting their own interests that bring them profit.

One year ago, I issued a declaration whereby I condemned the participation of parliament members on the AGAs and the Management Boards [CAs] of the companies with state-owned capital. I convened all CDR [Democratic Convention of Romania] senators and deputies at a meeting of the Executive Committee, at which it was decided that the parliament members of the alliance are not allowed to participate on these bodies. On the same occasion, it was also decided that, if such a situation arises, the persons involved must give up those positions within 24 hours. These decisions were implemented at once by all CDR parliament members.

Later, President Ion Iliescu also spoke out against the participation of parliament members on the AGAs. However, the ruling party has consistently ignored this position, and the vote cast on Tuesday clearly showed that the PDSR does not listen even to Ion Iliescu when it wants to protect the privileges of its prominent members. It is already a well-known fact that the current president has said that he is going to run for another mandate with only the support of the PDSR. I believe, therefore, that the Romanian society has the right to receive an answer to the following question: Does the president have any authority whatsoever in the party that he supports, or has he made a purely propaganda-type declaration? His declarations against corruption at high levels also seem to be merely formal, since he continues to accept the presence of people accused of corruption in high ranking positions, including in his own entourage.

The moment the CDR has the majority in Romania's Parliament, we will change the regulations now imposed by the PDSR and PD(FSN) and ban the participation of parliament members on AGAs and on the Management Boards. As a matter of fact, our firm position on this issue is expressed in the "Contract With Romania," which, under Point 15, stipulates the following: "It will be forbidden to hold positions of importance together with seats of the management boards of state companies. In the case of private property, the dignitary will turn over its administration to an administration company what will be established legally."

[signed] Emil Constantinescu, CDR president

Romania: Iliescu Not 'To File Suit' Against PRM's Tudor

AU0505194196 Bucharest EVENIMENTUL ZILEI in Romanian 26 Apr 96 p 12

[Article by Bogdan Tiberiu Iacob, Radu Tudor, and Lavinia Gheorghe: "C.V. Tudor's Balloon Is Rapidly Deflating"]

[FBIS Translated Text]

General Dumitru Iliescu, SPP [Guard and Protection Service] Director: "I Filed Suit Against Vadim for Offending the SPP Authority and for Slandering It"

"We decided to turn with our complaint to the General Prosecuting Magistracy about Corneliu Vadim Tudor [president of the Greater Romania Party—PRM] for offending the authority of the SPP, for slandering it and the director of this service, as well as for all the inaccurate statements he has made, Brigade Gen. Dumitru Iliescu, director of the Guard and Protocol Service told us yesterday.

"Vadim Tudor said that the SPP is involved in arms trafficking, that it unearths material from the Casa Poporului [People's House] and sells it, that it occupies a wing of the Parliament Palace, that we have a printing shop worth $2 million, and more. All these statements are incorrect, and this is why we filed a suit against him. We had not done it so far, because Vadim used to have parliamentary immunity and we would not have done anything except increase the number of files at the Prosecutor's Office. Why have we not sued him for all the slanderous remarks? Because not all of them are signed by him personally in his papers.

C.V. Tudor Said He Will Present the Recorded Cassettes in Six Weeks

Announced as a news conference with important disclosures, the PRM news conference held on 24 April turned out to be, in fact, a bluff.

Instead of presenting to the press, as he was previously boasting, the famous cassette recordings containing talks

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

by some politicians, the PRM leader limited himself to announcing the names of his formation's candidates to positions of mayors of Bucharest sectors and for the Bucharest Mayor's office.

In response to the insistent demands of the journalists who were present, C.V. Tudor announced that he will present all respective proof in six weeks, during an extraordinary news conference which will be attended by "SRI [Romanian Intelligence Service] generals and colonels."

The senator, who recently lost his parliamentary immunity, refused to give reasons for setting this date, saying only that: "a requiem for the dead is generally held after six weeks."

Traian Chebeleu Said President Iliescu Is Not Involved in Any Lawsuit Against Senator C.V. Tudor

Traian Chebeleu, the spokesman of the Romanian Presidency, said on 25 April exclusively to the EVENIMENTUL ZILEI daily that "President Iliescu is not involved in any lawsuit against Senator Corneliu Vadim Tudor." He mentioned that the head of state does not even intend to file suit against Tudor.

We remind our readers that lately Ion Iliescu and the presidential institution have been the target of attacks launched in the press by the PRM leader.

Romania: PD's Roman Begins Electoral Tour of Western Counties

AU0605160696 Bucharest AZI in Romanian 1 May 96 p 3

[Article by Liana Sega: "Petre Roman: Each Person Should Have His Own Place in This Country—Thieves in Jail, Honest People at Work!"]

[FBIS Translated Text] Yesterday at 0830, Petre Roman, president of the Democratic Party [PD] and Social Democratic Union [USD] candidate for Romanian president, began a new stage in his electoral campaign in the counties of Caras-Severin, Timis, and Arad. Accompanied by a large delegation that included representatives of the central and local press and prominent PD members, Mr. Roman left the locality of Baile Herculane, the starting point of his tour, and made his first stop in the commune of Domasnea. The visit continued to the localities of Teregova, Armenis, Bucheni, Marga, Zavoi, Glimboca, Otelul Rosu, Obreja, and Caransebes.

The PD president's electoral message was clear and transparent and was therefore correctly perceived by the citizens who greeted him in all the localities. All morning the Banat residents showed admirable eagerness for real change in Romania, and expressed profound dissatisfaction over the way in which the country has been ruled in the past four years—an iniquity deeply felt first of all by ordinary citizens—and they clearly expressed their preference for a young, competent, brave, and determined person as Romania's future president. In other words, they "painted in" Mr. Roman's photo to fit the picture.

The numerous meetings with Banat residents were held in a warm atmosphere that lacked political resentment, despite the PDSR's [Party of Social Democracy of Romania] propaganda, and in line with the opinion that since the Roman administration left the leadership, the people's standard of living has dramatically dropped. People who met the "future president of Romania"—as they called him—wished to find out the USD candidate's opinions directly from him. The talks were thus animated, and even when the questions seemed uncomfortable, they perfectly fit the "democratic model."

Moreover, in the commune of Moga, where the current mayor is a PDSR member, Petre Roman received an extremely warm welcome, which was commendable for both PD sympathizers and the party's opposing candidates. It is thus possible to behave differently than in Sascut [where Petre Roman's delegation was physically attacked]!

Among the serious problems raised by citizens were pensions, unemployment, the poor administration of agriculture, bureaucracy, and corruption. The Democratic Party, through the voice of its leader Petre Roman, indicated that it has concrete solutions for all these shortfalls. Today, many of the Banat residents believe in the PD and its members.

"The goal of a government is to capitalize on people's work (...) and give them the feeling that their work is significant"; "people must believe in well-being and be able to take their fate into their own hands and become masters in their own country!"; "in this country, each person must have his own place: thieves in jails and honest people at work!"; "give us the power and we will do all this"—this is the essence of the political message addressed by Petre Roman to the Banat electorate yesterday.

Throughout his tour, the PD president introduced the USD candidates for mayor in the visited localities, and assured them of his support. Complete mutual confidence between the candidate for Romanian president and the candidates for mayor is the essential element that developed from these political gestures.

At this hour, the PD delegation is about to introduce the USD candidate for mayor of Caransebes, and Mr.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Petre Roman is planning to hold a news conference and then a meeting with trade union leaders in the town of Resita.

Romania: No Cluj UDMR Candidate To Run Against Funar

AU0205141996 Bucharest ADEVARUL in Romanian 29 Apr 95 p 1

[Article by Cristian Mihai Chis: "Funar Will Not Have a UDMR Candidate To Run Against"]

[FBIS Translated Text] Following a five-hour meeting on 27 April, the Cluj branch of the UDMR [Democratic Union of Hungarians in Romania] decided by ballot not to designate a candidate for mayor of Cluj-Napoca municipality. One of the people who wanted to designate a candidate was the county branch president, Lajos Molnos. However, the majority decided against it, by which they followed the suggestion of the UDMR central executive body. The latter repeatedly declared that, as far as Cluj is concerned, they would be content with winning the post of deputy mayor. Lajos Molnos added that the UDMR will announce the candidate it intends to support one week before the first balloting round of the local elections. Had the UDMR designated its own candidate, 20 percent of the total number of votes—the proportion the UDMR is assessed to hold in Cluj—would have almost surely propelled him to the second round of balloting.

Romania: PDSR's Nastase: Funar To Lose in Local Elections

AU0605141296 Bucharest JURNALUL NATIONAL in Romanian 3 May 96 p 4

[Article by Florin Condurateanu: "Adrian Nastase Stated in Cluj: 'Our Problem Is To Find a Post for Mr. Funar After He Loses the Elections'"]

[FBIS Translated Text] Adrian Nastase [executive president of the ruling Party of Social Democracy of Romania—PDSR] is not the type of politician who grits his teeth, but rather conducts politics with a slight touch of humor. After the conclusion of his electoral visit in Cluj, he confessed that: "In Cluj County our major adversaries are the other parties, but in the Cluj-Napoca municipality our major adversary is Mr. Funar. That is precisely why the urgent problem for us during this visit has been to try to find Mr. Funar an office after he loses the elections for the office of mayor. Many parties in Cluj do not aim to have their own candidates win, but rather to have Gheorghe Funar lose, hence, those parties will wish to join with us. The PDSR does not formulate strategies against parties, but a strategy in its favor. Our candidate, Ioan Rus, is the man with the most appropriate mentality for the Transylvanian-type of person." Mr. Adrian Nastase said that the Cluj County organization of the PDSR asked for a meeting in order to inform him that, if the PDSR and the PUNR [Romanian National Unity Party] have found a common way of ruling at central level, in Cluj the Party of Social Democracy of Romania and the Romanian National Unity Party are at war. Also on the issue of alliances, Adrian Nastase said that he found a name for the Democratic Party-Civic Alliance Party alliance, namely, the "monstrous coalition" because those who were beaten up in the [Bucharest] University Square have allied with those who beat them up. Asked by a BBC reporter why he had attended a meeting with the commanders of the 4th Army, Adrian Nastase said that he wore two hats: one of the Chamber of Deputies' speaker and one of the PDSR executive president. At the meeting with the 4th Army commanders, he had been wearing the hat of the Chamber of Deputies' speaker.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovenia: PM Drnovsek Signs Accords With U.S., Gathers Praise

AU0805195496 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 8 May 96

[Report by Uros Lipuscek from New York—recorded]

[FBIS Translated Text] Numerous, very flattering assessments were made of Slovenia at the White House and the Pentagon today. At the ceremony accompanying the signing of the agreement on the protection of certain objects and monuments, U.S. Vice President Al Gore said that Slovenia was one of eight countries with which the United States had signed such an agreement so far.

The ceremonial signing of this agreement in the Roosevelt Room in the White House was also attended by some congressmen and by representatives of the Jewish organizations that strived very hard for the signing of this agreement, which will, among other things, facilitate the refurbishment of the synagogue in Maribor and the Slovene church in New York. At the ceremony, astronaut Ron Sega, who was recently in space for the second time, presented Prime Minister Drnovsek with a special plaque.

Many kind words about Slovenia were also said on the occasion of the signing of the agreement on the protection of military secrets, which was signed by U.S. Defense Secretary William Perry. After the signing of this agreement, Perry said Slovenia deserved to be trusted and was an example to other countries in this respect. With the prime minister they primarily discussed the policy of NATO enlargement. To our question of when Slovenia could hope to be admitted to NATO, Secretary Perry replied that this would become clearer this autumn.

Prime Minister Drnovsek will meet with Deputy Secretary of State Strobe Talbott and CIA Director John Deutsch this afternoon. In the evening he will depart for a one-day visit to Ottawa, where he will meet with Canadian Prime Minister Chretien tomorrow.

Slovenia: Drnovsek 'Optimistic' After Talks With Gore, Perry

AU0805204496 Ljubljana Radio Slovenia Network in Slovene 2000 GMT 8 May 96

[FBIS Translated Text] Prime Minister Janez Drnovsek signed two important documents with U.S. Vice President Gore and Defense Secretary Perry in Washington today. Dusan Berne reports:

[Begin recording] [Berne] The talks of Dr. Drnovsek with U.S. Vice President Gore and then Defense Secretary Perry were definitely the climax of the diplomatic dialogue in Washington on this occasion. Prime Minister Drnovsek made the following assessment of the meeting for our correspondent, Uros Lipuscek:

[Drnovsek] With Vice President Gore, we made a sort of review of the open issues that interest us—NATO, the European Union, and U.S. assistance in the resolution of problems we have with Italy—the succession issue was also present.

[Lipuscek] Mr. Prime Minister, you are just returning from the talks with Defense Secretary Perry. What was discussed?

[Drnovsek] We primarily discussed our membership in NATO. We discussed various criteria, the five criteria that NATO sets forth for full membership. Secretary Perry exhibited a relatively positive stance toward Slovenia. I am rather optimistic regarding the future course of events.

[Berne] After the talks, Drnovsek and Gore also signed a bilateral agreement on the protection and preservation of cultural heritage, which Gore assessed as follows:

[Gore, in English with superimposed translation into Slovene] For many of our citizens, the monuments that we pledged to protect today are among the greatest treasures. They are living monuments to the diversity of the human spirit and the races that enriched our nation and, thus, linked us closely with Slovenia and the Slovene nation.

[Berne] Secretary Perry and Dr. Drnovsek also signed a bilateral agreement on the protection of confidential military data, about which Perry stated:

[Perry, in English with superimposed translation into Slovene] The people of Slovenia have built a modern, flourishing country. We are proud to be able to call you our friends. Last year, we strengthened the friendship between the United States and Slovenia further when we decided for a more profound military and defense cooperation. With your prime minister today, we enhanced this plan by signing the general agreement on the security and exchange of the military data. This is undoubtedly an important step on the path of Slovenia's rapprochement with NATO. [end recording]

Slovenia: NATO Secretary General Discusses Expansion Process

AU0805195296 Ljubljana DELO in Slovene 4 May 96 p 24

[Interview with NATO Secretary General Javier Solana by Sasa Vidmajer in Bled on 1 May: "I Am Convinced That You Will Know How To Find the Way Ahead in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the European Union. In This Sense, I Do Not See Any Problems Regarding Relations With NATO."]

[FBIS Translated Text] We talked with the senior guest in Bled on Wednesday morning. Javier Solana, who became secretary general of the North Atlantic alliance recently and whom the Slovenes know from the time he served as Spain's foreign minister and initiator of the compromise proposal for the signing of the EU associate membership, arrived quite late, directly prior to his scheduled visit to Bohinjska Bela. Although, due to great time constraints, the interview mostly boiled down to a straightforward question and answer session, one could sense the Mediterranean directness rather that the Brussels bureaucracy under the smiling face and the softly pronounced English. The impression was that the guest would much rather speak about Slovenia, which excited him, as he was already a bit tired of all the questions with which he was besieged in the countries of Central and Eastern Europe.

[Vidmajer] Mr. Secretary General, could your arrival in Ljubljana be perceived as the actual start of the dialogue between Slovenia and NATO within preparations for the enlargement of the alliance?

[Solana] The visit to Slovenia is a reflection of the good relations between NATO and your country, which we wish to continue. For the time being, we have exemplary relations within the Partnership for Peace plan, which is important for the deepening of the cooperation. Simultaneously, we maintain an individual dialogue between the North Atlantic alliance and your country. I would like to emphasize, however, that I came to Ljubljana to analyze the circumstances here, to discuss the current situation in bilateral relations with the political leadership, and, at the same time, to thank your country for its assistance in the peace operation of the Implementation Force [IFOR] in Bosnia.

The individual talks are very important; a new chapter in the relations that will probably last until the end of the year. I hope that in the end, we will both see the changes that are required: Your country will know better what adjustments are connected to membership in the alliance, and we will know what changes are necessary if we are to invite new members into the alliance.

[Vidmajer] Is there any symbolism in you coming to Ljubljana from Bratislava and en route to Albania, Romania, and Bulgaria; that is, the countries that will definitely remain outside the alliance for quite some time? Is this a more difficult visit compared to the visits to Prague and Warsaw?

[Solana] This is a sheer coincidence and a result of the difficulties in coordinating my visits.

[Vidmajer] How important is the fact that Slovene membership in NATO would not be problematic for Russia, that we were never a member of the Warsaw Pact, which is what the optimism here is based on?

[Solana] We are satisfied with the political and economic circumstances in Slovenia, and also with the bilateral relations with NATO. As I have already said, we have started the individual talks, which is very positive. We are also satisfied with the documents that Slovenia has presented so far.

[Vidmajer] Slovenia, within its capabilities, has started adjusting to the NATO military criteria. Some experts here warn that a whole decade will be a very short time to comply with all the requirements that the alliance sets forth to the candidates, and also that we are running behind schedule.

[Solana] I am familiar with these problems. I would like to encourage the government to proceed with the harmonization at an accelerated pace, although we are aware of the difficulties linked to rapid reform, sometimes also at the expense of the state. I would, nevertheless, advise the government to make sure that the adjustment is carried out within the appropriate time.

[Vidmajer] Is the fact that Slovenia is only just building its defense system and does not have problems with the transformation and rationalization of the army an advantage?

[Solana] You will have to judge this yourselves. I think, however, that such a beginning could make it easier to create a system compatible with the armed forces of NATO members.

[Vidmajer] NATO is very concrete in the assessment of the candidates' cooperativeness. Has Slovenia done enough so far?

[Solana] We are very satisfied with the cooperation. Now is the time to deepen the bilateral relations, which will probably also happen as a result of my visit to your country.

[Vidmajer] The decision on enlargement will be a political one, dependent on the extent to which a given country will embrace the principles and the values of the alliance. How do you view Slovenia in this context?

[Solana] The process of NATO's opening has already begun. As for the question about the values of the Slovenes, I have no doubt that these are the same principles that apply for the alliance in general.

[Vidmajer] NATO and the EU are parallel processes. The first one closely follows the relations that the candidates have with the Union. Could a halt in the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovene rapprochement with the EU influence relations with NATO?

[Solana] I do not believe so. I am convinced that you will know how to find the way toward associate membership in the EU and then to full membership. In this sense, I do not see any problems regarding the relations with NATO. As you know, I am very familiar with the problems with Italy, and I hope that they will be solved over the next few weeks, perhaps even days.

[Vidmajer] Although you yourself often stress the determination for eastward expansion, it is evident that the enthusiasm for NATO's opening is waning. Reportedly, expansion to include three or four Eastern European countries at the most is in the cards?

[Solana] NATO made the decision on enlargement in 1994, and, since then, the stance has not varied in the slightest. I cannot say how the procedure that was started two years ago will end because the consensus of all 16 countries, which will decide on each case separately, will be required for the verification of decisions.

[Vidmajer] The decision on enlargement is supposed to be made in 1997. To what extent will this be connected to the electoral outcome in Russia and the United States?

[Solana] The U.S. and the Russian elections are always very important, understandably, for the whole of the West. The decision on the continuation, that is, the future stages of the North Atlantic alliance enlargement will probably be made at the end of this year at the ministerial council. That is when the dialogue with the individual candidates will be completed, and we will probably have to decide how to proceed further.

[Vidmajer] Therefore, it is not true that "special relations" with Russia will be more important than the alliance's enlargement?

[Solana] I believe they are compatible, and that is what we are striving for. We are trying to build the security architecture that will result in a new NATO that is open to new members. Simultaneously, we are trying to create very firm and special links with Russia, because it is a country of outstanding importance for all continents and should be acknowledged as such.

[Vidmajer] It seems the Kremlin remains an equally tough negotiator. Did your visit to Moscow produce some new elements? Do you believe that the Russians would agree to the expansion if they received assurances that this would not mean the positioning of nuclear arms on the territory of the new members? Finally, NATO has never explicitly stated that it would do so, and the study on enlargement does not mention this.

[Solana] My recent visit to Moscow was of a ceremonial nature, the first visit since I was elected NATO secretary general. We also discussed the expansion of the alliance. Moscow's current stance is known. I hope, also in the name of all 16 members, that, in the future, we will succeed in establishing a firm, solid relationship that will go beyond the present one. I am convinced that a firm security structure of the whole entity must be based on the freedom and the states' right to decide by themselves whether they will join the alliance or remain outside it.

[Vidmajer] The debate on NATO enlargement is connected to the reform of the alliance, however, there is not much consensus among the allies about NATO's future role.

[Solana] The allies are completely unanimous regarding the alliance's future. Since 1990, NATO has been adjusting itself to the new circumstances in Europe, and this process has been very successful. We shall continue it. The North Atlantic alliance has new peace missions, in Bosnia, for example. Changes are necessary, also because of the decision to expand to the East. We would like to create the European defense identity, and it makes sense to create this precisely within NATO and not outside it. The ideas as to the direction in which NATO would develop in the future are thus very clear, and we do not lack determination either.

[Vidmajer] The Central and Eastern European countries are vowing to enter NATO. In light of the fact that the communists hold majorities in parliaments, it is rather unclear how great the actual support is, as drawing closer to NATO means renouncing social programs.

[Solana] Let me emphasize that we are not forcing anyone to join the alliance. A candidate needs dual support for the entry: first, support within the country that wishes to join and then the support of the alliance member states.

[Vidmajer] The Eastern European countries would like to have an exact timetable for the expansion. Evidently, it is still too soon for this. However, one can also hear opinions that the alliance is losing credibility because of its hesitation.

[Solana] It is true that we cannot provide an exact timetable, however, the general idea on how the expansion will evolve is known. The first phase started in 1994 and ended last year. This year, we are starting a new phase with individual talks with the candidates. At the end of the year, we will be able to assess the situation and then decide on the alliance's expansion.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovenia: Belgrade Journal Outlines Military Doctrine

969B0016B Belgrade VOJSKA in Serbo-Croatian 16 Nov 95 p 37

[Article by Todor Mirkovic: "In Search of an Ally"]

[FBIS Translated Text] During the existence of the previous Yugoslavia, we recall, negatively intoned criticism of the military policy of the SFRY, its Army, and its military economic relations with other countries frequently came from Slovenia, in keeping with the idea popular in that time and place of demilitarizing the state. Once independence had been gained by unilateral secession from the previous Yugoslavia, however, Slovenia became very much involved in military affairs and especially in a secret trade in arms and military equipment. Large quantities of war materiel were delivered across Slovenia, with the help of its official authorities and arms dealers, to the Croatian Army and to the Muslim forces in the former Bosnia-Herzegovina. More recently, Slovenia has been more and more obsessed with issues of security and building its own system of defense against a possible external threat to its own integrity and sovereignty, which results from the assessment that its military-political position and strategic environment are unfavorable. Thus, their former argument of "a demilitarized dezeli [country]," by all appearances, has been discredited once and for all.

Undefined Demarcation

Slovenia borders on four states, and with two of them it does not have full-fledged good neighborly relations, and considers them potential enemies. Relations with Croatia are burdened with the problem of undefined demarcation on land and sea, and those with Italy by revivals from World War II. The problems of the Slovenian minority in Italy and of the present Slovenian territory which Italy is seeking, because they once belonged to it, will probably burden relations of the two neighboring countries for a long time and constitute a source of danger of a possible threat to Slovenia's territorial integrity.

In building its defense system and securing its territorial integrity, Slovenia is today directing efforts in two main directions: to find reliable friends and allies and to strengthen its own armed force.

Slovenia joined the NATO program "Partnership for Peace" and is striving to become a full-fledged member of that military-political organization. In that context, it is developing cooperation with NATO and its leading power, the United States of America, assuming that it will actually be a strong guarantor of peace and will be an important factor for deterring potential enemies from a possible attempt to threaten its present integrity within internationally recognized borders. However, along with the search for allies and for confident reliance on them, Slovenia is emphasizing more and more the need to strengthen its own military and defense system as a whole.

According to observations of foreign observers, Slovenia has transformed its former territorial defense into a regular army with an established strategic and operational-tactical command and military organizational structure.

The main body of Slovenia's regular army is made up of ground forces [KoV] organized on the territorial principle. That organization is made up of seven mechanized and motorized brigades, each of them with three battalions (one regular and two reserves). The ground forces also include a special-purpose brigade envisaged for rapid reaction in case of possible domestic unrest or a threat to the border, as well as a sizable number of units for combat and auxiliary support.

The ground forces have diverse infantry weapons, light and medium artillery pieces, armored and antiarmor equipment, including about 125 T-72 and T-54/55 tanks which the Slovenes took from the arsenal of the JNA [Yugoslav People's Army]. However, as far as we know, Slovenia is planning to upgrade that equipment and update the equipment of the ground forces.

Appropriations for the Armed Forces

The air force of the Slovenian armed forces constitutes one air corps whose nucleus is the 15th Air Force Division. For the present, that division has only various models of auxiliary and combat helicopters (the AB-206/212, the CA-314 Gazelle, etc.). Slovenia is planning to purchase trainers and combat planes (consideration is being given to the purchase of six Israeli LBA model "kfir") and antiaircraft missile systems.

Although it has a seacoast about 32 km long, Slovenia does not have a navy. The naval component of its armed forces is mainly made up of the coast guard, which has several patrol boats, but there is talk in the news media about a possible purchase of larger warships, mainly patrol vessels.

Slovenia has retained required military service, but the length has been reduced to six or seven months. When called up for military service, draftees can be sent to the regular military or to the police.

In addition, Slovenia is investing considerable funds in building its defense system. The official military budget for 1993 was 15 billion Slovenian tolars (1 German mark [DM] = 80 tolars), or 4.5 percent of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the gross social product. In the middle of last year, however, the public was told that Slovenia has been annually spending for military purposes $1 billion, which represents 6.6 percent of the gross social product.

Although not clearly enough defined as yet, nor configured in theory and practice, Slovenia's military doctrine is largely reminiscent of that of neighboring Austria. In the coming period, the military doctrines of the two neighboring countries will probably be still more identical, and analysts expect even more direct military cooperation between them, for one reason because Slovenia and Austria are seeking the same allies and reliance on them.

Slovenia: Property Rights of Foreigners Debated

96BA0245A Ljubljana DELO in Slovene 9 Mar 96 p 2

[Article by Majda Vukelic: "Controversial Regulation of Foreigners' Property Rights in Slovenia"]

[FBIS Translated Text] *The EU is interested in what will apply to the citizens of EU member states; in the Democrats' opinion, the law is contrary to the Constitution; how much we are "prepared to give."*

Ljubljana, 8 March—What is the EU demanding from us, and how much (more) of what it is demanding are we prepared to give? That will soon be one of the central issues when the State Assembly deputies deal with the draft law on property rights and other real rights, which has been prepared for initial discussion and which will also be discussed at this session.

Of course, this has to do with the part of the law that talks about the real rights of foreign physical and legal persons to real estate, but more precisely, with the part that talks about ownership rights to real estate and to building rights. At least two things have happened since the Ministry of Justice submitted the law for parliamentary proceedings. The Ministry of Internal Affairs warned about the unacceptability of Article 100, which specifies that a foreigner can receive the aforementioned rights, and then the Spanish initiative came. The latter actually dates back to the times when the first version of the law on property rights and other real rights was circulating through the corridors of the government and parliament, until the Ministry of Justice withdrew it from consideration at the end of last November and replaced it with the law that has now been submitted.

Article 100 is essentially a combination of the Interior Ministry's comments and the Spanish initiative. The Justice Ministry wrote this article in such a way that the Interior Ministry immediately pointed out the unacceptability and vagueness of the wording, and it follows from the Spanish initiative that it was substantially more "generous" than the EU understands the regulation of foreigners' property rights and than is in our own interest.

According to the Justice Ministry's proposal, a foreigner who is engaged in business here, a foreigner who has a permanent residence permit, and a foreigner who resides legally in Slovenia for at least three years can acquire ownership rights to real estate and building rights (i.e., the right to build and make regular use of buildings and functional land). The Interior Ministry warned that the third condition applies to refugees and to those who have temporary asylum or a temporary residence permit here, and also those who have met the condition of three years of legal residence just by crossing the state border regularly. The Spanish initiative indicates that the EU is interested primarily in having property and building rights acquired by "citizens of EU member states who can prove that they have legally resided for a total of three years on the present territory of Slovenia." All the dilemmas associated with the issue of whom this law applies to, however, will be irrelevant if the Democratic Party deputies succeed in convincing their fellow deputies that the proposed law is unconstitutional. The Democrats, in fact, are convinced that Article 100 is in violation of Article 68 of the Constitution, which prohibits foreigners from becoming landowners. The formula that "property rights to real estate and building rights can be acquired by a foreigner who..." is thus understood by the Democrats as a possibility that a foreigner can obtain property rights to real estate (i.e., to land), and building rights. Conceptually, property rights cover different types of rights, in which building rights are included. Consequently, according to the Democratic Party's proposal, Article 100 should be reformulated to say that a foreigner can acquire property rights to real estate except for land, and building rights, if.... Then there would no longer be any doubts, since this would avoid different interpretations of the law, which everyone here is already interpreting in his own way, not to mention how our neighbors would interpret it.

According to the Democratic Party's proposal, building rights should also be understood as West Europe understands them: that only engaging in economic activity gives a foreigner an opportunity to acquire that right. The other two opportunities envisioned by Article 100 (residence in Slovenia) are not only contrary to the Constitution, but also "contrary to the functionality of that institution." It is therefore necessary to specify, according to the Democrats, that building rights are dependent

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

upon conducting economic activity and any other activity desired.

Slovenia: Peterle Views Possibility of Coalition Breakup

AU0705155896 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 7 May 96

[FBIS Translated Text] Relations within the ruling coalition are getting worse. Prime Minister Janez Drnovsek threatened to break off the coalition with the Christian Democrats if the deputies of this party support the interpellation against Foreign Minister Zoran Thaler. The Christian Democrats insist on the foreign minister's dismissal, also because of Thaler's recent statement for CORRIERE DELLA SERA in which he described the parliamentary debate on the foreigners' ownership right as a folklore event.

As for the relations within the coalition, Lojze Peterle, president of the Christian Democrats, told our correspondent, Sandi Frelih, following:

[Begin recording] [Peterle] Prime Minister Drnovsek's announcement that he would cancel the coalition agreement if the Slovene Christian Democrats [SKD] support the interpellation against Minister Thaler, will, if this really happens—we have also heard stories to the contrary—merely formalize the situation that has been in existence for quite some time. I would not enumerate all the violations of the coalition agreement by the Liberal Democrats, such as the cadre appointments without our consensus and so forth. We merely remain faithful to what we have said earlier, to everything that was agreed by the parties. Of course, the matters regarding our foreign policy and the minister were not coordinated.

[Frelih] Judging from what you say, relations within the coalition are very tense. Do you expect the government to be able to function normally until the elections?

[Peterle] It is our wish that it function normally. The relations are, of course, increasingly acquiring an electoral slant, and that is how we perceive this threat. Of course, we wish to continue to responsibly pursue our policy for the projects that were agreed upon. [end recording]

Slovenia: Liberals Hope Reason Prevails in No-Confidence Vote

AU0805151196 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 8 May 96

[Report by Jolanda Lebar on news conference by Gregor Golobic, secretary general of Liberal Democracy, with unidentified correspondents in Ljubljana on 8 May]

[FBIS Translated Text] [Lebar] Gregor Golobic today described yesterday's statement by the leader of the Christian Democrats [Peterle] that their deputies would support the no-confidence vote in the foreign minister [Thaler] as a prestigious, personal issue for Peterle himself, into which he is now also dragging the party he heads. Apart from the fact that the accusations contained in the interpellation request are unfounded, Golobic believes that replacing the foreign minister following some of the decisions that the parliament has made could harm Slovenia.

[Begin Golobic recording] Replacing the foreign minister after the State Chamber had passed this stance, after Slovenia had sent this signal, would in a way mean that Slovenia has perhaps changed its mind. [end recording]

[Lebar] Golobic also said he agreed with Christian Democrats Secretary General Hilda Tovsak yesterday that prior to the vote in parliament, expanded delegations of both parties would meet in an attempt to reach an agreement on the interpellation vote and foreign policy in general. Commenting on what would happen if the agreement fails, Golobic had this to say:

[Begin Golobic recording] What we said definitely goes; that is, there can be no pretense. If a party in the government sides with the opposition on an issue that is very sensitive and important not for any party, person, or government in particular, but for Slovenia as a state, then we cannot close our eyes to it but must take the appropriate steps. For the time being we are not thinking about these steps yet, because we believe that ultimately reason will prevail. However, these are very serious matters. [end recording]

Slovenia: Poll Shows Support Steady for Prime Minister

AU0505183196

[FBIS Report] Ljubljana DNEVNIK in Slovene on 30 April on page 4 carries a report by Vlado Miheljak, summing up the results of the paper's monthly public opinion poll on the popularity of the Slovene parties. As is written, the telephone poll was carried out on 23 April among 415 randomly chosen telephone subscribers. Asked how they would vote if elections were held tomorrow, those surveyed gave the following answers:

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Popularity of Political Parties

	Percent
Liberal Democracy	16.6
Social Democratic Party	6.9
United List of Social Democrats	6.7
Slovene People's Party	5.1
Slovene Christian Democrats	3.2
Democratic Party	2.4
Slovene National Party	2.4
Greens of Slovenia	1.4
Other	1.2
I will not vote	16.1
Do not know	37.3

Asked to comment on the policy of Prime Minister Drnovsek, 55.6 percent replied that they supported it, 22.2 percent opposed it, while 22.2 were undecided. The author notes that Drnovsek, apart from the LDS voters, has recently been regaining support among United List voters, while support for him among voters of the Christian Democratic Party, the Social Democratic Party, and the People's Party has been more or less unchanged. Miheljak also notes that a considerable rise in popularity of the Democratic Party and the Slovene National Party registered in the March poll (when the Slovene National Party won 6 percent and the Democratic Party 4.7 percent) did not continue into April.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Federal

FRY: Milutinovic Discusses Opening of Hague Tribunal Office

LD0805141496 Belgrade TANJUG in English 1352 GMT 8 May 96

["Pool" item]

[FBIS Transcribed Text] Belgrade, May 8 (TANJUG)—Yugoslav Foreign Minister Milan Milutinovic discussed Wednesday with deputy prosecutor of the Hague-based international war-crimes tribunal Graham Blewitt the upcoming opening of the tribunal's liaison office in Belgrade.

Views were exchanged also on topical issues of Yugoslavia's cooperation with the international tribunal for war crimes on the territory of the former Yugoslavia, the Foreign Ministry said.

FRY: Government Prepares Amendments to Foreign Investment Law

LD0505122596 Belgrade TANJUG Domestic Service in Serbo-Croatian 1007 GMT 5 May 96

[FBIS Translated Text] Belgrade, 5 May (TANJUG)—If the parliament adopts draft amendments and addenda to the law on foreign investment prepared by the government, foreign investors could have a majority share in companies related to energy production and supply, railways, forestry, and certain kinds of post and telephone services.

On the other hand, the current regulation would be maintained according to which a foreign party cannot have a larger share than 49 percent of the capital of companies dealing with the production of and trade in armaments and military equipment, public information...[ellipses as received] The same restriction applies to the communications systems (telecommunications installations of international importance, networks for integrated services and satellite telecommunications), public utilities (water supply and heating system), and spheres defined as forbidden zones by the federal law.

The most important new elements, in comparison to the current law on foreign investment, are those relating to concessions that have been so far "left to republican [Serbian and Montenegrin] regulations."

The federal government proposes that concessions (licenses) for the use of natural resources or resources in public use be issued to foreign parties for a maximum period of 30 years. In addition to this, a foreign party could be given the license to build, manage, or transfer a building, an installation, or plant as its own company. The same possibility would exist for infrastructure and communication projects, such as bridges, roads, hotels, motels, and similar projects. In both cases, as well as in the case of issuing licenses for activities of public interest for which public services on our territory would be created, the maximum period would be 30 years.

Under the federal government's proposal, the licenses would be issued by the competent state body on the basis of a public auction.

By proposing these amendments and addenda to the law on foreign investment, the federal government is making a step toward liberalization and further opening to the world. Bearing in mind other competitive markets, it remains to be seen if the proposal makes Yugoslavia attractive to foreign investors to the degree needed at the moment.

FRY: Oil Pipeline from Croatian Island Reopened

LD0805185196 Belgrade TANJUG in English 1017 GMT 8 May 96

[FBIS Transcribed Text] Belgrade, May 8 (TANJUG)—The representatives of the oil industries of Serbia and Croatia, in the presence of the representatives of the civilian sector of the transitional administration of the Serb region of Eastern Slavonia, Baranja and Western Srem, on Tuesday put into operation the oil pipeline from the Croatian Adriatic island of Krk to the town of Pancevo, close to Belgrade.

The opening of the oil pipeline represents the realization of a general agreement reached on March 11 in Zagreb by Yugoslav Foreign Minister Milan Milutinovic and Croatian Vice-Prime Minister and Foreign Minister, Mate Granic.

The 750-km-long former "Yugoslav oil pipeline" which linked the port of Omisalj on the island of Krk, via Landava, Sisak and Bosanski Brod, with Pancevo, Novi Sad and further on with Hungary and the former Czechoslovakia, was planned to transport 35 million tonnes of oil each year. The disputes started in mid-1987, long before the outbreak of the war in the territory of the former Yugoslavia.

Zagreb shut down the pipeline in 1991, following a series of threats and the introduction of high taxes on fuel for Serbia and after Croatia's violent secession from the former Yugoslav Federation. Zagreb then siezed 350,000 tonnes of oil flowing through the pipeline at that moment.

The "Yugoslav oil pipeline" was built with 450-million dollars of foreign loans, with all refineries in the former Yugoslavia, with the exception of that in Skopje,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Macedonia, investing their own acumulation into the installations.

About 180 million dollars were invested into the construction of the pipeline, while 250 million dollars were converted into dinars in Croatian banks.

The Croatian oil-processing industry INA which, according to a joint agreement signed in 1973, was in charge of processing ten million tonnes of oil, had invested 26 percent of the capital. The Bosnian Energoinvest was in charge of 19 percent of the pipeline's value in exchange for an annual five million tonnes of oil, while Serbia's Naftagas, which required three million tonnes for the oil refinery in Novi Sad and five million tonnes for the refinery in Pancevo, invested 56 percent of the capital.

The founders first invested ten million dinars (in use in 1974) each, and then 15 million dinars each (nine percent), but the former Yugoslavia and the National Bank of Yugoslavia covered the entire foreign currency "financial construction" and the necessary exchange rate differences.

In early 1991, the oil pipeline was worth more than 1.2 billion dollars, although the internal settling of accounts took a long time.

In 1991, the pipeline transported a record 8.3 million tonnes of oil from Krk, of which the refinery in Pancevo received 2.5 million tonnes and the refinery in Novi Sad 1.1 million tonnes.

That year, Czechoslovakia received 140,000 tonnes of oil.

Despite a decision by the Constitutional Court of the then Yugoslavia which declared all investors to as the co-owners and shareholders of the pipeline, the breaking away of a chain of INA's filling stations in Serbia resulted in Croatia rising taxes on "Serbian oil" first from 0.35 dollars, to over four dollars per ton of transported fuel, and afterwards to 6.65 dollars.

Estimates showed that from the summer of 1991, the Pancevo refinery should have paid 12-15 million dollars each year for Croatian services although, for example, the transport of oil in tankers from the Arab Gulf to Krk cost six dollars per ton and from Omisalj to Pancevo 15 dollars per ton.

In early September 1991, during Croatia's war for secession from the former Yugoslavia, it was announced that damage to the pipeline in the Croatian city of Sisak, required lengthy repairs.

The explanation was that the damage was caused by mortar and was preventing further oil transports for Serbia. The Pancevo and Novi Sad refineries recorded losses amounting to about five million dollars.

Affected by the same problems, Czechoslovakia and Hungary linked up with the Trans-Alp oil pipeline via Trieste, Italy.

Of the entire lengh of the pipeline, about 130 km passed through the western parts of the republic of Serb Krajina (declared after Croatia's secession from the former Yugoslavia and seized by the Croatian Army in 1995), in 1993 on several occasions parts of this section were in use but the full resumption of oil transport required final agreement with the Federal Republic of Yugoslavia.

Serbia

Serbia: Milosevic Receives Russia's Ivanov

LD0805135696 Belgrade TANJUG Domestic Service in Serbo-Croatian 1222 GMT 8 May 96

[FBIS Translated Text] Belgrade, 8 May (TANJUG)—Serbian President Slobodan Milosevic received Igor Ivanov, Russian first deputy foreign minister, and his aides today.

According to a statement issued by the president's office, they discussed the current political situation in the region, the further development of bilateral relations, and cooperation between the Federal Republic of Yugoslavia and Russia.

They noted our country's efforts to normalize the situation and relations between the Balkan states and nations as a crucial factor for peace and stability in the region.

They said that the intensive cooperation between many Yugoslav and Russian partners is an important contribution and an example of how to develop international relations on an equal footing. Economic compatibility and links between the two states are of exceptional importance because the two countries realize their common interests through numerous projects in almost all economic areas.

The talks were attended by Yugoslav Foreign Minister Milan Milutinovic and Yuriy Kotov, Russian Ambassador to the FRY.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Serbia: Helsinki Committee on Human Rights Violations

96BA0191B Maribor VECER in Slovene 3 Feb 96 p 38

[Interview with Sonja Biserka, secretary of the Serbian Helsinki Committee, by Jadranka Kronja; place and date not given: "Strictly Controlled Life"]

[FBIS Translated Text] *The problem is also the Serbian legal system in general. It is characterized by chaos and a lack of responsibility.*

The Serbian Helsinki Committee for Human Rights has compiled its annual report on the state of human rights in Serbia. On that occasion, we spoke with the Committee's secretary, Sonja Biserka. She began by saying that the report was essentially an "attempt to point out all the unresolved issues in Serbia."

[Kronja] What issues now require real answers?

[Biserka] This primarily has to do with the whole complex of minority issues, i.e., Kosovo (the Albanians), Sandzak (the Muslims), and especially Vojvodina, which, with about 20 multiethnic communities, is the most threatened, especially with the influx of Serbian refugees from Croatia and Bosnia-Herzegovina. The refugees are one of the burning issues in Serbia: They are causing tension, especially in Vojvodina, where in the long term they may radically affect interethnic relations in Serbia.

The problem is also the Serbian legal system in general. It is characterized by chaos and a lack of responsibility. In spite of certain standard legal and constitutional solutions, the state is ultimately the arbiter.

[Kronja] It follows from this that Serbia is not a law-governed state, even though the Federal Republic of Yugoslavia [FRY] constitution talks about the highest democratic standards and the separation of powers.

[Biserka] The constitution, as a document, is a proper one, but in practice it is often a dead letter. That is especially true in regard to human rights and their protection. On the other hand, the laws and decisions of the Serbian government are an instrument of everyday politics, and are only technically in accordance with the constitution. The government often exceeds the limits of its constitutional authority, and on many occasions the state authorities issue secret orders and verbal instructions. The judicial system does not function as an autonomous, independent branch of government. The relationship between the executive and legislative branches of government is most questionable in the case of criminal issues, when people are often tried on the basis of indictments submitted on the basis of an official position.

[Kronja] What is the state of interethnic relations in Serbia?

[Biserka] It is important to emphasize that in Serbia as well, quiet ethnic cleansing took place during the war in the last four years. It began in federal institutions, and then pressures began in ethnically mixed areas, especially in Vojvodina (with the Hungarians and Croats as the largest minorities). In Kosovo and Sandzak, there was direct repression based on accusations about separatist aspirations. The Serbian regime did not succeed, however, in implementing its concept of an ethnically pure Serbia.

As far as the state of human rights in general is concerned, the concept of a national policy that has been implemented in Serbia in recent years has left deep traces. Everyone in the country has a deep distrust of everyone else, and hostility toward foreigners and ethnic discrimination are growing. Because of that kind of atmosphere, many people are "voluntarily" emigrating, even though the Belgrade regime has never adopted specific measures for the departure of members of other peoples. People cannot stand the pressure in the long term and decide to leave.

[Kronja] For several months now, however, the Serbian authorities have once again been spreading the old concept of coexistence among all peoples and ethnic communities in the FRY!

[Biserka] Yes, the Serbian government and its president, under pressure from the international community, especially the United States and the Dayton agreement, are trying to renew the coexistence and equality of all peoples. The Yugoslav United Left has been authorized for that, and now it is once again operating on the basis of the slogans of fraternity and unity. The regime is thus trying to win over the minorities, i.e., the non-Serbs (35 percent of the total population of Serbia), because it needs them, after losing the support of the Serbian base and the warmongering lobby by shifting to a peaceful policy. The refugees, who are proving the defeat of the Greater-Serbian policy by moving to Serbia, are a danger to the regime.

[Kronja] What is the position of the Croats in Serbia (Vojvodina) like? According to the census before the war about 250,000 were living there.

[Biserka] After the collapse of the former Yugoslavia, the Croats and Muslims in Serbia became minorities, without having that status recognized by the Serbian regime. The years 1991 and 1992 were especially difficult for the Croats, when they were driven from

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

their homes by Seselj's and Jovic's party with the help of paramilitary units. So far, about 45,000 Croats have been driven out of Serbia; approximately 6,000 of them moved to Croatia to join their families, and since this May, about 5,000 Croats have fled in fear and panic.

It should be stated that at one point the Serbian regime stopped the emigration of Croats, probably thinking that it would seriously weaken Serbia. The Serbian Croats are now waiting for regulation of their status; they have closed ranks and are waiting for someone to initiate the solution of their problem.

[Kronja] To what extent are they being helped by their official representatives? Or are they being left on their own?

[Biserka] I cannot tell you that, but I am convinced that they are trying to help them. Back in 1991, the Democratic Alliance of Croats in Vojvodina sent the Serbian parliament a request for regulation of the status of Croats and for cultural autonomy. Belgrade flatly ignored it. Since their legal status has not been settled, the authorities are ignoring the Croats; the government did not even respond in 1993, when they sent it a list of murdered and missing Croats, and last year FRY Human Rights Minister Margit Saovic sent them an official answer that they had neither the status of an ethnic minority nor of a people.

Serbia: Commentary Criticizes Crackdown on Media Sponsorship

AU0705204296 Belgrade NASA BORBA in Serbo-Croatian 7 May 96 p 8

[Commentary by Zorica Banjac: "The Yellow Armband Once Again?"]

[FBIS Translated Text] Over two years ago, we published in our paper (which, at the time, was the independent BORBA) a commentary titled "The Yellow Armband." The commentary likened the federal information minister's proposal to pass a legal regulation according to which the media would have to list on their masthead information on all aid that they receive to the regulation that made Jews in the Third Reich wear yellow armbands.

Following a two-year lull, partially owing to the democratic public's horror at this kind of branding of the media the regime finds unsavory, the idea resurfaced at the ruling party's daily roundtables and in its bureaucrats' speeches. There have again been proposals urging a legal regulation that would force the media to list the origin and amount of foreign aid. (Budget subsidies, tax relief, priority on the list for buying domestic newsprint, and the ruling party's and its satellite's marketing support did not seem to be worth the legislators' attention).

The yellow armband, once again! Once they get something into their heads, the ruling ideologists do not give up on it, irrespective of how senseless their idea and how out of sync with the state's obligation (confirmed by the signature in Dayton) to stop hounding and defaming the media not under the regime's influence.

The international aid that independent media receive from the EU and journalists' associations worldwide swells to enormous and cartoonish proportions in the interpretations of domestic propaganda experts. In their vast ignorance and malicious intentions, they mention millions (in cash, of course!), separate invoices for German marks and separate ones for dollars (!?), names of politicians who allegedly personally contribute, and so forth. The independent media, of course, do not hide the fact that they occasionally receive aid from international organizations to which our country belongs (or is trying its utmost to belong), but the state and its bureaucrats seem to be unable to explain why the world is concerned about the independent media. This concern would not exist if the independent media were not constantly hounded by the regime, their markets limited, and their activities obstructed in other ways. In light of all that has been said, the state's wish to introduce order into foreign media sponsorship is cynical. If the legal regulation on the "yellow armband" is passed, the regime will prove to the world, in front of whose slightly ajar door it is awaiting confirmation that its policy has essentially changed, that it is still undemocratic, and with a recurring reflex for prohibiting and pressuring every domain over which it does not have strict control.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.